



STATE OF MISSISSIPPI
OFFICE OF THE STATE AUDITOR
PHIL BRYANT
AUDITOR

TO: Governmental Entities
FROM: Rodney D. Zeagler, Deputy State Auditor
SUBJECT: Financial Accounting Manuals
DATE: May 13, 2005

Sections 7-7-211 and 37-37-1, Mississippi Code Annotated (1972), require the Office of the State Auditor to prescribe systems of accounting, budgeting and reporting financial facts in conformity with legal requirements and with generally accepted accounting principles for county governments and public school districts of the state. In an effort to meet this responsibility, the Office of the State Auditor has issued financial accounting manuals. The last completely revised manuals were issued in July 2002, with various parts of the public school district manual being revised annually since July 2002.

Sections of the manuals identify various generally accepted accounting principles applicable to the entities. Other sections identify legal requirements applicable to the entities. The manuals also include sections on internal controls related to the entities' operations.

For audit periods beginning on or after January 1, 2003, new *Government Auditing Standards*, issued by Comptroller General of the United States, on auditor independence are effective. One aspect of the new independence standards deals with audit organizations providing nonaudit services to clients. Audit organizations should not provide nonaudit services that involve performing management functions or making management decisions. The new independence standards do allow auditors to advise entity management on issues related to the knowledge and skills of the auditor without impairing the auditor's independence. Auditors may also provide tools and methodologies, such as best practice guides, and internal control assessment methodologies that can be used by management without impairing the auditor's independence. **However, auditors should not make management decisions or perform management functions.**

For audit periods beginning after January 1, 2003, and until revised manuals can be issued, the Office of the State Auditor considers the prescribed financial accounting manuals for county governments and public school districts as providing information based on our technical skills and knowledge about accounting principles, best practices related to internal controls, and state laws that apply to each entity. The decision on how to implement these practices is the decision of the entity's management. While some sections of the manuals are phrased as requirements, the Office of the State Auditor considers these to be tools and best practices to assist the entity's management in developing policies and procedures appropriate for their entity since management is responsible for their adoption and implementation. **Reportable conditions and instances of noncompliance will not be reported for instances in which an entity demonstrates that it has implemented adequate alternative internal controls or acceptable generally accepted accounting principles other than those described in the manuals but, which produce similar acceptable levels of safeguards and reporting accuracy as those identified in the manuals.**

**MISSISSIPPI
COUNTY FINANCIAL
ACCOUNTING MANUAL**

Revised July, 2002

**OFFICE OF THE STATE AUDITOR
PHIL BRYANT, STATE AUDITOR**

PREFACE

This manual is prescribed for county government in Mississippi as required by Section 7-7-211, Mississippi Code Annotated (1972) and other Code sections. This manual supercedes the Mississippi County Financial Accounting Manual issued in August 1993. Our desire is for this manual to be indispensable in the operation of efficient, responsive government.

The purposes of the manual are (1) to establish uniform minimum financial management standards for Mississippi counties, (2) to improve control over the use of county resources, (3) to provide better financial information to aid in making decisions and (4) to establish high standards for overall financial management.

The Governmental Accounting Standards Board (GASB) established a new financial reporting model for state and local governments in GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*. The implementation of GASB Statement No. 34 required numerous changes to the Chart of Accounts in Section C. Also a new section entitled Financial Reporting was added to explain the new financial reporting requirements of Statement No. 34. Some new prescribed forms have been added to aid in the preparation of adjusting entries to generate the newly required basic financial statements. Numerous changes were made to the prescribed system of accounting for fixed assets in order to ensure the proper reporting of capital assets, including infrastructure.

Many people were involved in the process of revising this manual and a few deserve special recognition. Gordon Easterling of Three Rivers Planning and Development District; John Robertson of Delta Computer Systems, Inc.; Mike Wood, Treva Hodge and Bill Dellavalle of Data Systems Management, Inc.; and Tommy Townsend of Townsend Consulting and Programming Services provided valuable advice on the new chart of accounts and financial statements. Joe McCraney of North Central Mississippi Planning and Development District and Chuck Lambert, Pike County Administrator, also provided valuable insight and advice in making changes to the chart of accounts that would meet the needs of counties. Various other county officials and personnel also provided much needed advice and assistance on this project. Our thanks to all of these people.

Various staff members from the Office of the State Auditor were involved in the process of revising this manual. The Technical Assistance Division provided guidance and support throughout the process of revising this manual. The Information Technology Division made the necessary conversions to make this manual available over the internet. I would also like to acknowledge my debt to those members of the County Audit Section who graciously accepted additional duties in order to allow me to devote my time to revising this manual and who reviewed various parts of the manual. Specifically, thanks are due to Ed Yarborough, Rodney Zeagler, Tom Arnold, Tony Green, Brenda Haralson, Kathy Albritton, Beverly Thompson and Gary Carson. This manual could not have been completed without your help.

We would also like to thank the Mississippi State University Cooperative Extension Service for their assistance in publishing this manual.

Lisa M. Michelletti, CPA
George Shurden, CPA

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SECTION A

INTRODUCTION TO GOVERNMENTAL ACCOUNTING

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Generally accepted accounting principles (GAAP) are uniform minimum standards and guidelines for financial accounting and reporting. The opinion letter in an audit reports how a county has complied with generally accepted accounting principles. These standards for counties are derived primarily from official pronouncements of the Governmental Accounting Standards Board (GASB). GASB is the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

Section 7-7-211, Mississippi Code Annotated (1972), establishes the Office of the State Auditor with the power and duty

To identify and define for all public offices of the state and its subdivisions generally accepted accounting principles as promulgated by nationally recognized professional organizations....To prescribe, for all public offices of regional and local subdivisions of the state, systems of accounting, budgeting and reporting financial facts relating to said offices in conformity with legal requirements and with generally accepted accounting principles as promulgated by nationally recognized professional organizations...

This manual is designed to accomplish the objectives of Section 7-7-211. Although all generally accepted accounting principles applicable to counties are not included in this manual, compliance with the manual is a basic first step necessary toward obtaining an unqualified audit opinion.

THE GOVERNMENTAL FINANCIAL REPORTING MODEL

The Governmental Accounting Standards Board (GASB) established a new financial reporting model for state and local governments in GASB Statement No. 34, *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments*. The objective of GASB Statement No. 34 is to enhance the understandability and usefulness of the general purpose external financial reports of state and local governments to the citizenry, legislative and oversight bodies, and investors and creditors.

The Governmental Accounting Standards Board (GASB) has identified accountability as the cornerstone of all financial reporting in government. The GASB has further identified two different forms of accountability: fiscal accountability for governmental activities and operational accountability for business-type and certain fiduciary activities. Fiscal accountability is the responsibility of governments to justify that their actions in the current period have complied with public decisions concerning the raising and spending of public moneys in the short term (usually one budgetary cycle or one year). Operational accountability is governments' responsibility to report the extent to which they have met their operating objectives efficiently and effectively, using all resources available for that purpose, and whether they can continue to meet their objectives for the foreseeable future.

Accounting and financial reporting for state and local governments focused originally on funds, which were designed to enhance and demonstrate fiscal accountability. This model integrates fund accounting with the more consolidated financial reporting typical of private-sector businesses. The minimum requirements for the new model are:

- a. Management's discussion and analysis (MD&A) as required supplementary information (RSI)
- b. Basic financial statements (government-wide financial statements, fund financial statements and notes to the financial statements)
- c. Required supplementary information other than MD&A

FUND ACCOUNTING

Generally accepted accounting principles (GAAP) provide the following definition of a fund:

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

For many years, funds served as the focus of financial reporting for state and local governments. This focus is now shared with the government-wide financial statements that were created pursuant to GASB Statement No. 34. The principal role of funds in the new financial reporting model is to demonstrate fiscal accountability. Generally accepted accounting principles require use of only the minimum number of funds consistent with legal and operating requirements.

Funds are classified into three broad categories: governmental, proprietary and fiduciary. Not all assets and liabilities related to governmental activities are reported in governmental funds (e.g., capital assets and long-term debt). Accordingly, the additional data needed for government-wide financial reporting must be maintained separately in the accounting system.

Governmental Funds

Governmental funds typically are used to account for tax-supported (governmental) activities. These funds are recorded using the modified accrual basis of accounting. Governmental funds are divided into five fund types:

The General Fund. This fund accounts for all financial resources except those required to be accounted for in another fund. This classification includes funds 001 to 024 in the Chart of Accounts. (For reporting purposes, all general funds are recognized as one.)

Special Revenue Funds. This fund type accounts for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditure for specified purposes. This classification includes funds 025 to 199 in the Chart of Accounts.

Debt Service Funds. This fund type accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This classification includes funds 200 to 299 in the Chart of Accounts.

Capital Projects Funds. This fund type accounts for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). This classification includes funds 300 to 389 in the Chart of Accounts.

Permanent Funds. This fund type accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (i.e., for the benefit of the government or its citizenry). This classification includes funds 390 to 399 in the Chart of Accounts.

Proprietary Funds

Proprietary funds focus on the determination of operating income, changes in net assets (or cost recovery), financial position and cash flows. These funds are used to account for a government's business-type activities (activities supported at least in part by fees or charges). These funds are recorded using the full accrual basis of accounting. Proprietary funds are divided into two fund types:

Enterprise Funds. This fund type is used to account for activities for which a fee is charged to external users for goods or services. This classification includes funds 400 to 499 in the Chart of Accounts.

Internal Service Funds. This fund type is used to account for the financing of goods or services provided by one fund, department or agency to other funds, departments or agencies of the financial reporting entity, or to other governments, on a cost-reimbursement basis. This classification includes fund 500 to 599 in the Chart of Accounts.

Fiduciary Funds

Fiduciary funds are used to report assets held by the government as trustee or agent and that cannot be used to support the government's own programs. These funds are recorded using the full accrual basis of accounting. Fiduciary funds include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds and agency funds. Counties normally will only use two fund types:

Private Purpose Trust Funds. This fund type accounts for trust arrangements, including those for escheat property, where principal and income benefit individuals, private organization or other government. This classification includes funds 600 to 649 in the Chart of Accounts.

Agency Funds. This fund type accounts for assets held by a government in a purely custodial capacity. This classification includes fund 650 to 699 in the Chart of Accounts.

THE FINANCIAL MANAGEMENT CYCLE

The financial management cycle is an annual process for counties. It is a systematic approach to accountability and effective management. The cycle has three major elements: Budgeting, Accounting and Reporting. Each element bears a strong relationship to the others. Budgeting lays out a financial blueprint for the year's activities and guides the accounting. Both have as their end result reporting. This relationship can be envisioned as a triangle:

BUDGETING

ACCOUNTING

REPORTING

The cycle begins with budgeting for the upcoming year. Budgeting procedures are presented in Section B of this manual. During the year, transactions are recorded in the accounting process; at the same time, the budget is used to set spending priorities and limits. Accounting procedures are presented in Sections C and D. The year culminates with completion of accounting procedures and the final amended budget. It is important to view budgeting and accounting as proceeding hand-in-hand in a year-long process. These two elements move together into the reporting process.

The predetermined end for budgeting and accounting information in reporting. Counties are audited annually, and financial statements are presented in the audit report. Reporting is not only a function of the year-end audit, but it is used any time information is required. Budget reports prepared during the year for the Board of Supervisors or interim financial information needed by bonding companies are examples.

Information generated in the financial management cycle has various uses, the principal one being providing historical information needed to prepare future budgets and to plan for the future. Reported information is of great interest to taxpayers, financial institutions and businesses who might want to locate in a county.

County officials should understand the financial management cycle and how it operates in their county. This understanding will result in better performance of the duties entrusted to them by the taxpayers.

RELATED MANAGEMENT PRACTICES

County officials can enhance quality of government by following certain management practices. These practices complement the record-keeping and reporting functions, and relate to the trust existing between county officials and taxpayers.

The practices discussed in this section are basic to good government, but are not inclusive of all beneficial management practices. County officials should determine management practices appropriate for county functions they oversee and implement them.

Internal Controls

The most important management practice is to establish and maintain internal controls. *Internal control* is a process - effected by a county's board of supervisors, management and other personnel - designed to provide reasonable assurance regarding the achievement of objectives in the following categories: (a) reliability of financial reporting, (b) effectiveness and efficiency of operations and (c) compliance with applicable laws and regulations.

Internal control consists of five interrelated components:

- a. *Control environment* sets the tone of an organization, influencing the control consciousness of its people. It is the foundation for all other components of internal control, providing discipline and structure.
- b. *Risk assessment* is the entity's identification and analysis of relevant risks to achievement of its objectives, forming a basis for determining how the risks should be managed.
- c. *Control activities* are the policies and procedures that help ensure that management directives are carried out.
- d. *Information and communication systems* support the identification, capture and exchange of information in a form and time frame that enable people to carry out their responsibilities.
- e. *Monitoring* is a process that assesses the quality of internal control performance over time.

Other Management Practices

Personnel policies should be established in all counties in Mississippi. Uniform personnel policies safeguard the county and the employee and assist in the hiring of the best possible people.

Cash management is the practice of investing the greatest possible amount of cash at the highest available, legally authorized rate of return while retaining sufficient cash to pay all bills when due. An investment ledger for this purpose is prescribed in Section E.

Risk management is the process of conserving and protecting county resources. This involves reducing and preventing potential damage to persons and property and insuring the county against potential losses. The county should evaluate itself to determine adequate safety measures are in place and hazards are eliminated. An adequate insurance program should be in place and evaluated regularly.

Central purchasing and inventory control should be in place as required by the Mississippi Code. These systems result in greater efficiency, responsiveness and reporting ability for the county.

The Reporting Entity

Counties are considered *primary governments* because the foundation of county government is a separately elected governing body, the Board of Supervisors. A primary government also includes all the departments and offices that make up its legal entity. For counties, such offices typically include the Chancery Clerk, Purchase Clerk, Tax Assessor-Collector, Circuit Clerk, Justice Court Clerk and Sheriff. In addition, counties have *component units* which are legally separate organizations for which the primary government is financially accountable. Examples of component units include county hospitals, county port authorities and county libraries. These are component units of the Board of Supervisors because they were created by the county and are controlled by the county. The Board of Supervisors is responsible for the component units' activities. The Governmental Accounting Standards Board considers component units to be part of the county reporting entity.

SECTION B

BUDGETING

INTRODUCTION

A *budget* is a plan of action for a fiscal year. It represents the choices of the executive body as to how the county's governmental unit allocates its limited resources among various competing demands.

There are many different kinds of budgets for many different purposes and time periods. Our concern here is with the financial plan required annually of all Mississippi counties in Sections 19-11-1, et seq, Mississippi Code Annotated (1972). A useful working definition of the budget required by Mississippi law is:

A statement by fund of estimated receipts, disbursements and balances for the next fiscal year, accompanied by other information that helps in understanding the fund statements and the overall financial picture of the county.

As a collection of financial decisions, a budget becomes a detailed plan of operations and capital outlay for the fiscal year. The budget includes the activities and services which the county plans to provide to its citizens during the fiscal year, physical improvements such as roads and buildings, all or part of which the county plans to construct in the fiscal year, the expenditures required to support these operations and capital projections and the resources available for meeting the planned expenditures. The budget also addresses such policy issues as debt service need, cash management, purchasing requirements, taxation and other revenue levels and rates imposed upon local taxpayers.

THE BUDGETARY PROCESS

The budgetary process encompasses a number of different activities and decisions over a period of several months, the end result of which is the annual budget. Page B-5 presents a calendar of the budgetary process.

Budgetary process stages occur over the entire fiscal year because the budgetary process is ongoing. The budget is under review throughout the year, may be amended when necessary and culminates with the final amended budget. The stages of the budgetary process may be described as follows:

1. Identifying needs and forecasting requirements for such needs
2. Preparing departmental budget requests
3. Reviewing of departmental budgets by the Board of Supervisors
4. Preparing the recommended annual budget
5. Adopting and implementing the budget
6. Adopting the final amended budget

Budgeting is only one of many policy control mechanisms, but it is the most basic and, therefore, the most important. County governments provide services to their citizens, and the financing of these services must be properly planned and controlled in order to achieve the maximum efficiency in the use of resources, to minimize the tax burden upon the citizens, to comply with state law and contractual obligations and to assure that a sound financial position is maintained.

ORGANIZATION OF THE BUDGET

The budgetary process should be a “building blocks” approach to development of the budget for counties. The budget information is developed in a set of basic budget documents for estimating revenues and departmental requests for expenditures.

Initial steps in the budgetary process involve formulating budget policy, estimating the amount of revenues which can be expected to be available for the coming fiscal year, setting budgetary guidelines and transmitting this financial forecast information together with the budget forms to the county departments. This preliminary work sets the stage for later decisions to be made by the county departments, the county administration and the Board of Supervisors.

Each year at the July meeting of the Board of Supervisors, departmental budget requests must be submitted to the board for approval.

A proposed budget is then prepared for the individual funds. The clerk or administrator usually performs this task.

The budget is presented at the August meeting of the Board of Supervisors and is required to be published at least one time, no later than September 30, in a newspaper published, and/or having general circulation, in the county.

The budget is prepared on forms prescribed by the Office of the State Auditor and is required by Section 19-11-11, Mississippi Code Annotated (1972), to be budgeted by fund. The budget may be revised or amended as allowed by Section 19-11-19, Mississippi Code Annotated (1972).

After the budget is completed, the board must adopt a resolution approving the budget and enter the resolution in detail on the minutes of the Board of Supervisors. Taxes are then levied in support of the budget.

At each regular monthly meeting of the Board of Supervisors, the clerk is required to submit a financial report showing the expenditures and liabilities incurred against each separate budget during the preceding month, the unexpended balance of each budget item and the unencumbered balance in each fund. Receipts from all taxes and other sources during the preceding month are also required to be reported.

The Board of Supervisors must keep expenditures within the limits set by the budget. The amount approved to be expended for any item in the budget must not be exceeded. The Board may amend the budget by entering the amendment on the minutes using only the prescribed budget forms that are necessary to show the amendment. The clerk of the board is prohibited from issuing any warrant for an expenditure in excess of the budgeted amount.

The board must enter a complete, final amended budget on the minutes. This is to be accomplished no later than October 31, following the close of the fiscal year.

BUDGET CALENDAR

<u>Date</u>	<u>Process</u>
May Board Meeting	Formulate budget policy (Board of Supervisors)
May Board Meeting	Develop financial forecast (may be done by the budget officer)
June Board Meeting	Distribute departmental request forms to the Sheriff and Tax Assessor/Collector and notify them of due date
July - First Monday	Deadline for return of departmental requests
July Board Meeting August Board Meeting	Review departmental requests and formulate budget
September 15	Deadline for adopting the budget (Section 19-11-11, Mississippi Code Annotated (1972))
September Board Meeting or before September 15 at an adjourned or special meeting	Set tax levy necessary to support the adopted budget (Section 27-39-317, Mississippi Code Annotated (1972)) Note: The Clerk of the Board is required to publish or post the resolution levying advalorem taxes within ten days after its adoption (Section 27-39-319, Mississippi Code Annotated (1972))
September 30	Deadline for publishing the budget (Section 19-11-7, Mississippi Code Annotated (1972))
September 30	Deadline for amending the budget for the fiscal year ending the same day
October 31	Deadline for entering the final amended budget of all funds on the board minutes
Monthly Board Meeting	Submit a financial report showing the expenditures, liabilities, unexpended balance and unencumbered balance in each fund and receipts for each fund (Section 19-11-23, Mississippi Code Annotated (1972)) (Clerk of the Board)

BUDGET FORMS AND REQUIREMENTS

In order to meet legal requirements and to present the budget as required supplementary information to the financial statements in accordance with generally accepted accounting principles, the Office of the State Auditor is prescribing the budget forms and guidelines which appear on the following pages. The requirements are effective beginning with the 2002-2003 fiscal year.

1. All funds are required to be budgeted individually, except for funds held for a third party or which represent a custodial function of the county. Generally speaking, the exceptions are agency funds, and are not required to be budgeted.
2. The budget must be prepared on forms prescribed by the Office of the State Auditor.
3. Amendments to the budget must be prepared on the budget form or forms necessary for the amendments. The amended form(s) must then be entered on the minutes of the Board of Supervisors. The budget may not be amended after the close of the fiscal year it represents (September 30).
4. The final amended budget of all funds for a fiscal year, which may be amended up to the end of the fiscal year, must be entered on the minutes of the Board of Supervisors no later than October 31, next following the close of the fiscal year.

The following budget forms are prescribed by the Office of the State Auditor.

_____ County
 Combined Budget for Publication
 For the Fiscal Year Ending September 30, 20__

	Governmental Fund Types					Proprietary Fund Types		
	General	Special Revenue	Capital Projects	Debt Service	Permanent	Enterprise	Internal Service	Total
REVENUES								
Amount necessary to be raised by tax levy	\$ _____	_____	_____	_____	_____	_____	_____	_____
Taxes and ad valorem other than tax levy	_____	_____	_____	_____	_____	_____	_____	_____
Road and bridge privilege taxes	_____	_____	_____	_____	_____	_____	_____	_____
Licenses, commissions and other revenue	_____	_____	_____	_____	_____	_____	_____	_____
Fines and forfeitures	_____	_____	_____	_____	_____	_____	_____	_____
Special assessments	_____	_____	_____	_____	_____	_____	_____	_____
Intergovernmental revenues:								
Federal sources	_____	_____	_____	_____	_____	_____	_____	_____
State sources	_____	_____	_____	_____	_____	_____	_____	_____
Local sources	_____	_____	_____	_____	_____	_____	_____	_____
Charges for services	_____	_____	_____	_____	_____	_____	_____	_____
Interest income	_____	_____	_____	_____	_____	_____	_____	_____
Miscellaneous revenues	_____	_____	_____	_____	_____	_____	_____	_____
Contributions to permanent funds	_____	_____	_____	_____	_____	_____	_____	_____
Other financing sources	_____	_____	_____	_____	_____	_____	_____	_____
Special items (give description)	_____	_____	_____	_____	_____	_____	_____	_____
Extraordinary items (give description)	_____	_____	_____	_____	_____	_____	_____	_____
 Total Revenues	_____	_____	_____	_____	_____	_____	_____	_____
Beginning Cash Balance	_____	_____	_____	_____	_____	_____	_____	_____
Total Revenues and Beginning Cash Balance	\$ _____	_____	_____	_____	_____	_____	_____	_____
EXPENDITURES								
General government	\$ _____	_____	_____	_____	_____	_____	_____	_____
Public safety	_____	_____	_____	_____	_____	_____	_____	_____
Public works	_____	_____	_____	_____	_____	_____	_____	_____
Health and welfare	_____	_____	_____	_____	_____	_____	_____	_____
Culture and recreation	_____	_____	_____	_____	_____	_____	_____	_____
Education	_____	_____	_____	_____	_____	_____	_____	_____
Conservation of natural resources	_____	_____	_____	_____	_____	_____	_____	_____
Economic development and assistance	_____	_____	_____	_____	_____	_____	_____	_____
Debt service	_____	_____	_____	_____	_____	_____	_____	_____
Other expenditures	_____	_____	_____	_____	_____	_____	_____	_____
Other financing uses	_____	_____	_____	_____	_____	_____	_____	_____
Special items (give description)	_____	_____	_____	_____	_____	_____	_____	_____
Extraordinary items (give description)	_____	_____	_____	_____	_____	_____	_____	_____
 Total Expenditures	_____	_____	_____	_____	_____	_____	_____	_____
Ending Cash Balance	_____	_____	_____	_____	_____	_____	_____	_____
Total Expenditures and Ending Cash Balance	\$ _____	_____	_____	_____	_____	_____	_____	_____

County Budget Form R (06/02)
Final Revenue Estimates

_____ County
_____ Fund
Budget of Estimated Revenues
For the Fiscal Year Ending September 30, 20____

	Budget Amounts	Total
205 -209 Tax and Ad Valorem (Other than Tax Levy)	\$ _____	
210 Road and Bridge Privilege Taxes	_____	
211 - 229 Licenses, Commissions and Other Revenues	_____	
230 - 238 Fines and Forfeitures	_____	
239 Special Assessments	_____	
Intergovernmental Revenues:		
240 - 260 Federal Sources	_____	
261 - 299 State Sources	_____	
300 - 319 Local Sources	_____	
320 -329 Charges for Services	_____	
330 Interest Income	_____	
331-378 Miscellaneous Revenues	_____	
379 Contributions to Permanent Funds	_____	
Total Budgeted Revenue		\$ _____
380 - 389 Other Financing Sources		_____
390-394 Special items (give description)		_____
395-399 Extraordinary items (give description)		_____
Cash Balance at Beginning of Year		_____
Total Budgeted Revenue, Other Financing Sources, Special Items, Extraordinary Items and Cash Balance at Beginning of Year		_____
Amount Necessary to be Raised by Tax Levy Net of Homestead Exemption Reimbursement		_____
Total Beginning Cash, Budgeted Revenue, Other Financing Sources, Special Items and Extraordinary Items		\$ _____

_____ County
_____ Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>General Government</u>							
Board of Supervisors	\$	\$	\$	\$	\$	\$	\$
Chancery Clerk's department							
Circuit Clerk's department							
Tax Assessor's department							
Tax Collector's department							
Tax Assessor/Collector's department							
Other general administration							
County Administrator's department							
Financial Adm/Comptroller's department							
Purchasing administration department							
Inventory administration department							
Receiving administration department							
Other financial administration							
Board Attorney (full time)							
Other law							
Personnel administration							
Other personnel administration							
Superintendent of Education's department							
Maintenance of buildings and grounds							

_____ County

_____ Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>General Government, continued</u>							
Data processing (EDP)	\$	\$	\$	\$	\$	\$	\$
Reappraisal and mapping							
Veteran service office							
Other administration							
Chancery court							
Circuit court							
County court							
Juvenile court							
Family court							
Lunacy court							
Justice court							
Coroner and Ranger							
District Attorney							
County Attorney							
Public Defender							
Court administration							
Other judicial							
Elections							
Other elections							

_____ County

_____ Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>General Government, continued</u>							
Other general government	\$	\$	\$	\$	\$	\$	\$
Total general government	\$	\$	\$	\$	\$	\$	\$
<u>Public Safety</u>							
Sheriff Administration	\$	\$	\$	\$	\$	\$	\$
Other sheriff							
Custody of prisoners							
Other crime control							
Communication services							
Automotive services							
Medical services							
Other support services							
Ambulance service							
Other ambulance service							
Fire department							
Other fire							
Civil defense							
National Guard armories							
Constables							
County patrolmen							

_____ County

_____ Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>Public Safety, continued</u>							
School crossing guards	\$	\$	\$	\$	\$	\$	\$
Other protection							
Flood control							
Yazoo/Mississippi Delta Levee District							
Mississippi Levee District							
Other flood control							
Other public safety							
Total public safety	\$	\$	\$	\$	\$	\$	\$
<u>Public Works</u>							
Roads and bridges	\$	\$	\$	\$	\$	\$	\$
District 1 roads and bridges							
District 2 roads and bridges							
District 3 roads and bridges							
District 4 roads and bridges							
District 5 roads and bridges							
Municipal share of road tax							
Airports							
Ports and harbors							
Sanitation and waste removal							

_____ County

_____ Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>Public Works, continued</u>							
Other public works	\$	\$	\$	\$	\$	\$	\$
Total public works	\$	\$	\$	\$	\$	\$	\$
<u>Health and Welfare</u>							
Public health administration	\$	\$	\$	\$	\$	\$	\$
Other public health administration							
Communicable disease control							
Rabies and animal control							
Mosquito and pest control							
Other communicable disease control							
Health centers and general clinics							
Other health							
Welfare administration							
General assistance (paupers)							
Council on aging							
Human resource agency							
Food stamps							
Commodities distribution							
County home							
Donations for patriotic/charitable use							

_____ County

Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>Health and Welfare, continued</u>							
Other welfare	\$	\$	\$	\$	\$	\$	\$
Total health and welfare	\$	\$	\$	\$	\$	\$	\$
<u>Culture and Recreation</u>							
Libraries	\$	\$	\$	\$	\$	\$	\$
Recreation centers							
Participant recreation							
Parks							
Park areas							
Other culture and recreation							
Total culture and recreation	\$	\$	\$	\$	\$	\$	\$
<u>Education</u>							
Education	\$	\$	\$	\$	\$	\$	\$
Other education							
Total education	\$	\$	\$	\$	\$	\$	\$
<u>Conservation of Natural Resources</u>							
Drainage districts	\$	\$	\$	\$	\$	\$	\$
Water management districts							
Other water resources							
Soil Conservation							

_____ County

_____ Fund
Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
<u>Conservation of Natural Resources, continued</u>							
County extension	\$	\$	\$	\$	\$	\$	\$
Other agricultural resources							
Other conservation of natural resources							
Total conservation of natural resources	\$	\$	\$	\$	\$	\$	\$
<u>Economic Development and Assistance</u>							
Public housing projects	\$	\$	\$	\$	\$	\$	\$
Other urban redevelopment and housing							
Planning and development district							
Community development block grant							
Advertising county resources							
Other economic development							
Other economic opportunity, development and assistance							
Total economic development and assistance	\$	\$	\$	\$	\$	\$	\$

_____ County

_____ Fund

Budget of Estimated Expenditures
For the Fiscal Year Ending September 30, 20____

	TOTAL	Personal Services	Contractual Services	Consumable Supplies & Materials	Grants, Subsidies & Allocations	Debt Service	Capital Outlay
Debt Service	\$	\$	\$	\$	\$	\$	\$
Other Departments or Programs	\$	\$	\$	\$	\$	\$	\$
Total Estimated Expenditures	\$	\$	\$	\$	\$	\$	\$
Other Financing uses	\$						
Special items (give description)	\$						
Extraordinary items (give description)	\$						
Ending Cash Balances	\$						
Total Estimated Expenditures, Other Financing Uses, Special Items, Extraordinary Items and Ending Cash Balance	\$						

_____ County
Revenue Budget Worksheet
For the Fiscal Year Ending September 30, 20__

Fund Name: _____

	Actual Revenues Through July	Estimated Revenues August & September	Budget Adjustments	Total (Form R)
Tax and advalorem (other than tax levy)				
205 Penalties and interest on delinquent taxes	\$ _____	\$ _____	\$ _____	
206 Mineral lease	_____	_____	_____	
207-209 Other	_____	_____	_____	
Total tax and advalorem	_____	_____	_____	\$ _____
210 Road and bridge privilege taxes	_____	_____	_____	_____
Licenses, commissions, and other revenues				
211 Local privilege licenses	_____	_____	_____	
212 Chancery Clerk's fees	_____	_____	_____	
213 Circuit Clerk's fees	_____	_____	_____	
214 Tax Collector's commissions and fees	_____	_____	_____	
215 Sheriff's fees	_____	_____	_____	
216 Justice Court Clerk's fees	_____	_____	_____	
217 Printer/publication fees	_____	_____	_____	
218 Mailing fees	_____	_____	_____	
219 Building permits	_____	_____	_____	
220 Law library fees	_____	_____	_____	
221 Mobile home registration fees	_____	_____	_____	
222-229 Other	_____	_____	_____	
Total licenses, commissions and other revenues	_____	_____	_____	_____
Fines and forfeitures				
230 Justice Court fines	_____	_____	_____	
231 Chancery Court fines	_____	_____	_____	
232 Circuit Court fines	_____	_____	_____	
233 County Court fines	_____	_____	_____	
234 Youth Court fines	_____	_____	_____	
235 Litter fines	_____	_____	_____	
236 Other court fines	_____	_____	_____	
237 Bond forfeitures	_____	_____	_____	

Fund Name: _____

	Actual Revenues Through July	Estimated Revenues August & September	Budget Adjustments	Total (Form R)
Fines and forfeitures cont.				
238 Sale of confiscated property/cash forfeitures \$	_____	\$ _____	\$ _____	
Total fines and forfeitures	_____	_____	_____	\$ _____
239 Special assessments	_____	_____	_____	_____
Intergovernmental revenues:				
Federal Sources				
Federal grants restricted for non-capital or operating purposes (240-246):				
240 Restricted for general government	_____	_____	_____	
241 Restricted for public safety	_____	_____	_____	
242 Restricted for public works	_____	_____	_____	
243 Restricted for health and welfare	_____	_____	_____	
244 Restricted for culture and recreation	_____	_____	_____	
245 Restricted for conservation of natural resources	_____	_____	_____	
246 Restricted for economic development	_____	_____	_____	
Federal grants restricted for capital purposes only (247-253):				
247 Restricted for general government	_____	_____	_____	
248 Restricted for public safety	_____	_____	_____	
249 Restricted for public works	_____	_____	_____	
250 Restricted for health and welfare	_____	_____	_____	
251 Restricted for culture and recreation	_____	_____	_____	
252 Restricted for conservation of natural resources	_____	_____	_____	
253 Restricted for economic development	_____	_____	_____	
Federal grants restricted for enterprise funds (254-255):				
254 Restricted for operating purposes only	_____	_____	_____	
255 Restricted for capital purposes only	_____	_____	_____	
Federal grants undesignated:				
256-260 Undesignated	_____	_____	_____	
Total federal sources	_____	_____	_____	_____

Fund Name: _____

	Actual Revenues Through July	Estimated Revenues August & September	Budget Adjustments	Total (Form R)
State sources				
261 Reimbursement for food stamps/welfare	\$ _____	\$ _____	\$ _____	
262 Reimbursement for homestead exemption	_____	_____	_____	
263 Reimbursement for state aid roads	_____	_____	_____	
264 Reimbursement for distribution of commodities	_____	_____	_____	
265 Reimbursement for emergency management funds	_____	_____	_____	
266 Rental car tax	_____	_____	_____	
267 Rail car tax	_____	_____	_____	
Other state grants restricted for non-capital or operating purposes (268-274):				
268 Restricted for general government	_____	_____	_____	
269 Restricted for public safety	_____	_____	_____	
270 Restricted for public works	_____	_____	_____	
271 Restricted for health and welfare	_____	_____	_____	
272 Restricted for culture and recreation	_____	_____	_____	
273 Restricted for conservation of natural resources	_____	_____	_____	
274 Restricted for economic development	_____	_____	_____	
Other state grants restricted for capital purposes only (275-281):				
275 Restricted for general government	_____	_____	_____	
276 Restricted for public safety	_____	_____	_____	
277 Restricted for public works	_____	_____	_____	
278 Restricted for health and welfare	_____	_____	_____	
279 Restricted for culture and recreation	_____	_____	_____	
280 Restricted for conservation of natural resources	_____	_____	_____	
281 Restricted for economic development	_____	_____	_____	
282 Motor vehicle fuel tax	_____	_____	_____	
283 Motor vehicle licenses	_____	_____	_____	
284 Oil severance	_____	_____	_____	
285 Gas severance	_____	_____	_____	

Fund Name: _____

	Actual Revenues Through July	Estimated Revenues August & September	Budget Adjustments	Total (Form R)
State sources cont.				
286 Timber severance	\$ _____	\$ _____	\$ _____	
287 Salt severance	_____	_____	_____	
288 Liquor privilege tax	_____	_____	_____	
289 Insurance premium tax distribution	_____	_____	_____	
290 National forest distribution (state and federal through state)	_____	_____	_____	
291 Federal/state payments in lieu of tax	_____	_____	_____	
292 Grand Gulf distribution	_____	_____	_____	
293 Gaming revenues - unrestricted	_____	_____	_____	
State grants restricted for enterprise funds (294-295):				
294 Restricted for operating purposes only	_____	_____	_____	
295 Restricted for capital purposes only	_____	_____	_____	
296-297 Other unrestricted state grants	_____	_____	_____	
298-299 Unrestricted gifts and donations	_____	_____	_____	
Total state sources	_____	_____	_____	\$ _____
Local sources				
300-305 Unrestricted local grants and other local sources				
Local grants restricted for operating purposes (306-312):				
306 Restricted for general government	_____	_____	_____	
307 Restricted for public safety	_____	_____	_____	
308 Restricted for public works	_____	_____	_____	
309 Restricted for health and welfare	_____	_____	_____	
310 Restricted for culture and recreation	_____	_____	_____	
311 Restricted for conservation of natural resources	_____	_____	_____	
312 Restricted for economic development	_____	_____	_____	

Fund Name: _____

	Actual Revenues Through July	Estimated Revenues August & September	Budget Adjustments	Total (Form R)
Local grants restricted for capital purposes (313-319):				
313 Restricted for general government	\$ _____	\$ _____	\$ _____	
314 Restricted for public safety	_____	_____	_____	
315 Restricted for public works	_____	_____	_____	
316 Restricted for health and welfare	_____	_____	_____	
317 Restricted for culture and recreation	_____	_____	_____	
318 Restricted for conservation of natural resources	_____	_____	_____	
319 Restricted for economic development	_____	_____	_____	
Total local sources	_____	_____	_____	\$ _____
Charges for services				
320 Garbage fees	_____	_____	_____	
321 Reimbursement for housing prisoners	_____	_____	_____	
322 911 emergency service fees	_____	_____	_____	
323 Premium charges	_____	_____	_____	
Other charges for services:				
324 Restricted for general government	_____	_____	_____	
325 Restricted for public safety	_____	_____	_____	
326 Restricted for public works	_____	_____	_____	
327 Restricted for culture and recreation	_____	_____	_____	
328 Restricted for conservation of natural resources	_____	_____	_____	
329 Restricted for economic development	_____	_____	_____	
Total charges for services	_____	_____	_____	_____
Interest income				
330 Interest income	_____	_____	_____	_____

Fund Name: _____

	Actual Revenues Through July	Estimated Revenues August & September	Budget Adjustments	Total (Form R)
Miscellaneous revenues				
331 Interest on leases	\$ _____	\$ _____	\$ _____	
332 Rents	_____	_____	_____	
333 Royalties	_____	_____	_____	
334 Oil and mineral leases	_____	_____	_____	
336 Sales income	_____	_____	_____	
337 Copying and reproduction	_____	_____	_____	
338 Refund of prior year expenditures	_____	_____	_____	
339 Judgments recovered	_____	_____	_____	
340 Refunds	_____	_____	_____	
341 Cancelled warrants	_____	_____	_____	
342-378 Other (small) miscellaneous revenues	_____	_____	_____	
Total miscellaneous revenue	_____	_____	_____	\$ _____
379 Contributions to permanent funds	_____	_____	_____	_____
Total budgeted revenue other than tax levy				_____
380-389 Other financing sources	_____	_____	_____	_____
390-394 Special items	_____	_____	_____	_____
395-399 Extraordinary items	_____	_____	_____	_____
Cash balance at beginning of the year				_____
Total budgeted revenue other than tax levy, other financing sources, special items, extraordinary items and cash balance at beginning of the year				_____
Amount necessary to be raised by tax levy net of homestead exemption reimbursement				_____
Total beginning cash, budgeted revenue, other financing sources, special items and extraordinary items				\$ _____

_____ County
Expenditures Budget
Departmental Summary
For the Fiscal Year Ending September 30, 20__

Fund Name _____

Department _____

	Requested	Approved
Total personal services	\$ _____	\$ _____
Total contractual services	_____	_____
Total consumable supplies and materials	_____	_____
Total grants, subsidies and allocations	_____	_____
Total debt service	_____	_____
Total capital outlay	_____	_____
Total estimated expenditures	\$ <u>_____</u>	\$ <u>_____</u>

_____ County
Departmental Personal Services Request
For the Fiscal Year Ending September 30, 20____

Fund Name _____

Department _____

	Actual Expenditures Through July	Estimated Expenditures for August and September	Requested
A. Personnel Services Schedule			
Positions			
1.	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____
17.	_____	_____	_____
18.	_____	_____	_____
19.	_____	_____	_____
20.	_____	_____	_____
21.	_____	_____	_____
22.	_____	_____	_____
23.	_____	_____	_____
24.	_____	_____	_____
25.	_____	_____	_____
26.	_____	_____	_____
27.	_____	_____	_____
28.	_____	_____	_____
29.	_____	_____	_____
30.	_____	_____	_____
Total	_____	_____	_____

Fund Name _____

Department _____

	Actual Expenditures Through July	Estimated Expenditures for August and September	Requested
B. Statutory Fees			
1.	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____
Total	_____	_____	_____
C. Employer Costs			
1. FICA	_____	_____	_____
2. Retirement	_____	_____	_____
3. Group insurance	_____	_____	_____
4. Unemployment insurance	_____	_____	_____
5. Worker's compensation	_____	_____	_____
6. Other	_____	_____	_____
Total	_____	_____	_____
D. Travel	_____	_____	_____
E. Summary			
1. Total personnel service cost	_____	_____	_____
2. Total statutory fees	_____	_____	_____
3. Total employer costs	_____	_____	_____
4. Total travel	_____	_____	_____
Total personal services	\$ _____	\$ _____	\$ _____

_____ County
Departmental Contractual Services Request
For the Fiscal Year Ending September 30, 20__

Fund Name _____

Department _____

	Actual Expenditures Through July	Estimated Expenditures for August and September	Requested
Item			
1.	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____
17.	_____	_____	_____
18.	_____	_____	_____
19.	_____	_____	_____
20.	_____	_____	_____
21.	_____	_____	_____
22.	_____	_____	_____
23.	_____	_____	_____
24.	_____	_____	_____
25.	_____	_____	_____
26.	_____	_____	_____
27.	_____	_____	_____
28.	_____	_____	_____
29.	_____	_____	_____
30.	_____	_____	_____
Total contractual services	\$ _____	\$ _____	\$ _____

_____ County
Departmental Consumable Supplies and Materials Request
For the Fiscal Year Ending September 30, 20__

Fund Name _____

Department _____

	Actual Expenditures Through July	Estimated Expenditures for August and September	Requested
Item			
1.	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____
17.	_____	_____	_____
18.	_____	_____	_____
19.	_____	_____	_____
20.	_____	_____	_____
21.	_____	_____	_____
22.	_____	_____	_____
23.	_____	_____	_____
24.	_____	_____	_____
25.	_____	_____	_____
26.	_____	_____	_____
27.	_____	_____	_____
28.	_____	_____	_____
29.	_____	_____	_____
30.	_____	_____	_____
Total consumable supplies and materials	\$ _____	\$ _____	\$ _____

_____ County
Departmental Grants, Subsidies and Allocations Request
For the Fiscal Year Ending September 30, 20__

Fund Name _____

Department _____

	Actual Expenditures Through July	Estimated Expenditures for August and September	Requested
Item			
1.	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____
17.	_____	_____	_____
18.	_____	_____	_____
19.	_____	_____	_____
20.	_____	_____	_____
21.	_____	_____	_____
22.	_____	_____	_____
23.	_____	_____	_____
24.	_____	_____	_____
25.	_____	_____	_____
26.	_____	_____	_____
27.	_____	_____	_____
28.	_____	_____	_____
29.	_____	_____	_____
30.	_____	_____	_____
Total grants, subsidies	\$ _____	\$ _____	\$ _____

_____ County
Departmental Debt Service Request
For the Fiscal Year Ending September 30, 20__

Fund Name _____

Department _____

(Types of Issues: General, Limited, Revenue, Road Equipment, Other Notes Payable, Lease Purchases)

Issue	Bond Redemption	Interest Paid	Other Charges	Approved
1.	\$ _____	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____
7.	_____	_____	_____	_____
8.	_____	_____	_____	_____
9.	_____	_____	_____	_____
10.	_____	_____	_____	_____
11.	_____	_____	_____	_____
12.	_____	_____	_____	_____
13.	_____	_____	_____	_____
14.	_____	_____	_____	_____
15.	_____	_____	_____	_____
Total debt service	\$ _____	\$ _____	\$ _____	\$ _____

_____ County
Departmental Capital Outlay Request
For the Fiscal Year Ending September 30, 20__

Fund Name _____

Department _____

	Actual Expenditures Through July	Estimated Expenditures for August and September	Requested
Item			
1.	\$ _____	\$ _____	\$ _____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____
17.	_____	_____	_____
18.	_____	_____	_____
19.	_____	_____	_____
20.	_____	_____	_____
21.	_____	_____	_____
22.	_____	_____	_____
23.	_____	_____	_____
24.	_____	_____	_____
25.	_____	_____	_____
26.	_____	_____	_____
27.	_____	_____	_____
28.	_____	_____	_____
29.	_____	_____	_____
30.	_____	_____	_____
Total capital outlay	\$ _____	\$ _____	\$ _____

BUDGETARY COMPARISON SCHEDULES

Budgetary comparison schedules should be presented as Required Supplementary Information for the general fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule should present both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows and balances, stated on the government's budgetary basis. A separate column to report the variance between the final budget and actual amounts should be included on the budgetary comparison schedule. The budgetary comparison schedule should also include a column to report the variance between original and final budget amounts.

Sample County
Budgetary Comparison Schedule for the General Fund
For the Year Ended September 30, 2003

	Budgeted Amounts		Actual	Variances---	
			Non-GAAP	Positive (Negative)	
	Original	Final	Budgetary Basis	Original to Final	Final to Actual
REVENUES					
Property taxes	\$	\$	\$	\$	\$
Road and bridge privilege taxes					
Licenses, commissions and other revenue					
Fines and forfeitures					
Special assessments					
Contributions to permanent funds					
Intergovernmental revenues					
Charges for services					
Interest income					
Miscellaneous revenues					
Total revenues					
EXPENDITURES					
Current:					
General government					
Public safety					
Public works					
Health and welfare					
Culture and recreation					
Education					
Conservation of natural resources					
Economic development and assistance					
Debt service:					
Principal					
Interest					
Bond issue costs					
Total expenditures					
Excess(deficiency) of revenues over expenditures					
OTHER FINANCING SOURCES (USES)					
Long-term debt issued					
Refunding bonds issued					
Proceeds from sales of capital assets					
Premium on bonds issued					
Compensation for loss of capital assets					
Transfers in					
Transfers out					
Payment to bond refunding escrow agent					
Discount on bonds issued					
Other financing sources					
Other financing uses					
Total other financing sources and uses					
Special Items (give description)					
Extraordinary Items (give description)					
Net change in fund balances					
Fund balances - beginning					
Fund balances - ending	\$	\$	\$	\$	\$

Sample County**Budgetary Comparison Schedule for the (Name of Major Special Revenue Fund)
For the Year Ended September 30, 2003**

	Budgeted Amounts		Actual Non-GAAP Budgetary Basis	Variances--- Positive (Negative)	
	Original	Final		Original to Final	Final to Actual
REVENUES					
Property taxes	\$	\$	\$	\$	\$
Road and bridge privilege taxes					
Licenses, commissions and other revenue					
Fines and forfeitures					
Special assessments					
Contributions to permanent funds					
Intergovernmental revenues					
Charges for services					
Interest income					
Miscellaneous revenues					
Total revenues					
EXPENDITURES					
Current:					
General government					
Public safety					
Public works					
Health and welfare					
Culture and recreation					
Education					
Conservation of natural resources					
Economic development and assistance					
Debt service:					
Principal					
Interest					
Bond issue costs					
Total expenditures					
Excess(deficiency) of revenues over expenditures					
OTHER FINANCING SOURCES (USES)					
Long-term debt issued					
Refunding bonds issued					
Proceeds from sales of capital assets					
Premium on bonds issued					
Compensation for loss of capital assets					
Transfers in					
Transfers out					
Payment to bond refunding escrow agent					
Discount on bonds issued					
Other financing sources					
Other financing uses					
Total other financing sources and uses					
Special Items (give description)					
Extraordinary Items (give description)					
Net change in fund balances					
Fund balances - beginning					
Fund balances - ending	\$	\$	\$	\$	\$

SECTION C

UNIFORM CHART OF ACCOUNTS

INTRODUCTION

This section contains the chart of accounts to be used to record transactions in the county's records. The chart of accounts is prescribed for county governments pursuant to Section 7-7-211, Mississippi Code Annotated (1972), and is to be used for the fiscal year 2002-2003 and thereafter.

The nine-digit coding system prescribed in this chapter is an update of the system currently in use by Mississippi counties. The chart of accounts is updated to comply with Statement No. 34 issued by the Governmental Accounting Standards Board (GASB). Statement 34 establishes a new financial reporting model—that is, a new set of financial statements for state and local governments.

While this chart of accounts establishes minimum coding requirements for counties, it is not intended to limit counties that determine an expansion of the chart of accounts is needed to meet its reporting requirements

The new financial reporting model incorporates fund-based reporting and government-wide reporting in a single, integrated set of basic financial statements. The county's general ledger software should be revised in order to provide the fund-based reporting and government-wide reporting required in the new financial reporting model. Section D, Financial Reporting, presents examples of the basic financial statements.

Counties should continue to keep their records on a cash basis and record and process transactions as usual in individual funds during the year. The necessary accruals and adjustments will be made at year-end in order to generate the newly required basic financial statements.

GAAP require governments to establish the minimum number of funds necessary to comply with legal requirements and maintain operations. Maintaining a minimum required number of funds will generally result in greater efficiency and thereby reduce bookkeeping and audit time and costs accordingly.

NOTE: Definitions of key terms are provided at the end of this section for your review.

GROUP OF ACCOUNT CODES

For a transaction to be entered in the records, a nine-digit code is used. The nine digits are divided into groups of three digits each and are explained below.

First Three Digits

The first three digits identify a particular fund, whether standing alone or as the first three digits of a nine-digit sequence used to record a transaction. The digits representing particular funds are grouped in a range for each fund type, as listed in the table below:

Fund Type	Range
General	001 to 024
Special Revenue	025 to 199
Debt Service	200 to 299
Capital Project	300 to 389
Permanent	390 to 399
Enterprise	400 to 499
Internal Service	500 to 599
Private Purpose Trust	600 to 649
Agency	650 to 699
For future expansion	700 to 799
Long-Term Debt	800
Capital Assets	900

Second Three Digits

The second three digits identify a department (or program) within a fund. These digits are used to record expenditures. When recording a balance sheet or revenue transaction, the second three digits will be three zeros. A department relates to the type of government service being provided and to the office responsible for the expenditure. The ranges used for the departments are shown in the table below:

Department (or Program)	Range
General Government	100 to 199
Public Safety	200 to 299
Public Works	300 to 399
Health and Welfare	400 to 499
Culture and Recreation	500 to 549
Education	550 to 599
Conservation of Natural Resources	600 to 649
Economic Development and Assistance	650 to 699
Undesignated (not used)	700 to 799
Debt Service	800
Interfund Transactions/Other	900

Third Three Digits

The third three digits are called *objective account numbers*. Objective account numbers identify the nature of revenue and expenditure transactions, such as property tax revenue and gravel expenditures. These digits also identify individual balance sheet accounts, such as specific asset and liability accounts. Objective account numbers are always the last three digits in the nine-digit code. Ranges of objective account numbers are listed in the table below:

Objective Account Codes	Range
Assets	001 to 099
Liabilities and Equities	100 to 199
Revenues, Other Financing Sources and Other Items	200 to 399
Expenditures for Personal Services	400 to 499
Expenditures for Contractual Services	500 to 599
Expenditures for Consumable Supplies and Materials	600 to 699
Expenditures for Grants, Subsidies and Allocations	700 to 799
Expenditures for Debt Services	800 to 899
Expenditures for Capital Outlay, Other Financing Uses, and Other Items	900 to 999

A summary of the ranges is presented in the table below to demonstrate the structure of the nine-digit coding system.

SUMMARY OF NINE DIGIT CODE RANGES

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
General Funds	001-024		
Special Revenue Funds	025-199		
Debt Service Funds	200-299		
Capital Project Funds	300-389		
Permanent Funds	390-399		
Enterprise Funds	400-499		
Internal Service	500-599		
Private Purpose Trust	600-649		
Agency	650-699		
For Future Expansion	700-799		
Long-Term Debt	800		
Capital Assets	900		
Department (or Program) Group Code			
General Government		100-199	
Public Safety		200-299	
Public Works		300-399	
Health and Welfare		400-499	
Culture and Recreation		500-549	
Education		550-599	
Conservation of Natural Resources		600-649	
Economic Development and Assistance		650-699	
Undesignated (not used)		700-799	

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
Debt Service		800	
Interfund Transactions/Other		900	
Objective Accounts Group Code			
Assets			001-099
Liabilities and Equities			100-199
Revenues, Other Financing Sources, and Other Items			200-399
Expenditures for Personal Services			400-499
Expenditures for Contractual Services			500-599
Expenditures for Consumable Supplies & Materials			600-699
Expenditures for Grants, Subsidies & Allocations			700-799
Expenditures for Debt Service			800-899
Expenditures for Capital Outlay, Other Financing Uses, and Other Items			900-999

The remainder of this chapter presents the individual codes used to record transactions using the nine-digit sequence and provides examples for reference.

CHART OF ACCOUNTS

CLASSIFICATION OF FUND ACCOUNTS

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
General Funds (001-024)			
General County	001		
Special Levy Reappraisal	002		
Excess Tax Bid	003		
Tax Collector Fund	004		
Justice Court Fund	005		
Circuit Court Fund	006		
Severance Tax	007		
Gas Severance	008		
Oil Severance	009		
Timber Severance	010		
Salt Severance	011		
Other Unrestricted General County Funds	012-024		
Special Revenue Funds (025-199)			
Federal Special Revenue Funds (025-094)			
Restricted for General Government	025-028		
Restricted for Public Safety	029-044		
Restricted for Public Works	045-060		
Restricted for Health & Welfare	061-066		
Restricted for Culture & Recreation	067-072		
Restricted for Conservation and Natural Resources	073-078		
Restricted for Economic Development	079-094		

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
Non-Federal Special Revenue Funds (095-199)			
County Library (a regional library should be classified as an agency fund)	095		
Reappraisal Fund	096		
Emergency 911 Fund	097		
Port and Harbor	098		
Park and Recreation	099		
County Airport (a regional airport should be classified as an agency fund)	100		
Industrial Park	101		
Fair and Livestock	102		
County Ambulance	103		
Law Library	104		
Garbage and Solid Waste	105		
Volunteer Fire	106		
2% Unemployment Compensation Revolving Fund	107		
Other Non-Federal Special Revenue Funds (108-199)			
Restricted for General Government	108-112		
Restricted for Public Safety	113-124		
Restricted for Health and Welfare	125-128		
Restricted for Culture and Recreation	129-132		
Restricted for Conservation & Natural Resources	133-136		
Restricted for Economic Development	137-149		

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
Restricted for Public Works (includes all road maintenance funds, bridge & culvert funds, and any other non-federal public works funds.)	150-189		
Restricted for Other Purposes (includes any funds whose end of year net asset balances are deemed immaterial.)	190-199		
Debt Service Funds (200-299)			
NOTE: Tax anticipation notes should be reported as a liability in the fund receiving the proceeds, not as debt service.			
NOTE: School bond and interest sinking funds are tax levy funds to retire school debt issues which are dated before March 3, 1987. If the county collects taxes for school debt issues dated after March 3, 1987, the tax collector should settle these taxes directly to the school district (Section 37-57-1, Mississippi Code Annotated (1972).			
Debt Service Funds	200-299		
Capital Project Funds (300-389)			
Capital Project Funds	300-389		
Permanent Funds (390-399)			
Indigent Care Fund	390		
Other Permanent Funds	391-399		
Enterprise Funds (400-499)			
<u>Solid Waste:</u> (classify as an enterprise fund <u>only</u> when management intends to recover full costs, including depreciation, primarily through user charges; otherwise, classify as a special revenue fund.)	400		

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
<u>Sheriff's Canteen</u> : (classify as an enterprise fund <u>only</u> when management intends to recover full costs, including depreciation, primarily through user charges; otherwise, classify as a special revenue fund.)	401		
Other Enterprise Funds	402-499		
Internal Service Funds (500-599)			
Central Maintenance	500		
Self-Funded Health Risk Management Funds	501		
Other Internal Service Funds	502-599		
Private Purpose Trust Funds (600-649)			
Escheat Funds	600		
Other Private Purpose Trust Funds	601-649		
Agency Funds (650-699)			
Judicial Assessment Clearing	650		
Victims of Domestic Violence	651		
Cash Bail Bonds	652		
Litter Prevention	653		
Regional Library	654		
Regional Airport	655		
Other Agency Funds	656-680		
Payroll Clearing	681		
Other Agency Funds	682-686		
Insurance Clearing	687		
Firefighters Burn Center	688		
Agricultural Research	689		

Fund Group Code	Fund Number	Department (or Program) Number	Objective Number
Community College Maintenance/Support	690		
Community College Support/Enlargement Improvement/Repairs	691		
Community College Bond Redemption	692		
Other Agency Funds	693-694		
Yazoo/Mississippi Delta Levee District	695		
Mississippi Levee District	696		
Other Agency Funds	697-699		
NOTE: Taxes collected for a school district should be settled by the tax collector directly to the school district (Section 37-57-1, Mississippi Code Annotated (1972)).			
Long-Term Debt	800		
Capital Assets	900		

CLASSIFICATION OF DEPARTMENT (OR PROGRAM) ACCOUNTS

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
General Government (100-199)			
General Administration (100-119)			
Board of Supervisors		100	
Chancery Clerk's Department		101	
Circuit Clerk's Department		102	
Tax Assessor's Department		103	
Tax Collector's Department		104	
Tax Assessor/Collector's Department		105	
Other General Administration		106-119	
Financial Administration (120-129)			
County Administrator's Department		120	
Financial Administrator/ Comptroller's Department		121	
Purchasing Administration Department		122	
Inventory Administration Department		123	
Receiving Administration Department		124	
Other Financial Administration		125-129	
Law (130-139)			
Board Attorney (Full Time)		130	
Other Law		131-139	
Personnel Administration (140-149)			
Personnel Administration		140	
Other Personal Administration		141-149	

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
Other Administration (150-159)			
Superintendent of Education's Department		150	
Maintenance of Buildings and Grounds		151	
Data Processing (EDP)		152	
Reappraisal and Mapping		153	
Veteran Service Office		154	
Other Administration		155-159	
Judicial (160-179)			
Chancery Court		160	
Circuit Court		161	
County Court		162	
Juvenile Court		163	
Family Court		164	
Lunacy Court		165	
Justice Court		166	
Coroner and Ranger		167	
District Attorney		168	
County Attorney		169	
Public Defender		170	
Court Administration		171	
Other Judicial		172-179	
Elections (180-189)			
Elections		180	
Other Elections		181-189	

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
Other General Government (190-199)			
Other General Government		190-199	
Public Safety (200-299)			
Sheriff (200-219)			
Sheriff Administration		200	
Other Sheriff		201-219	
Crime Control (220-229)			
Custody of Prisoners (Imprisonment and/or Jail)		220	
Other Crime Control		221-229	
Support Services (230-239)			
Communication Services		230	
Automotive Services		231	
Medical Services		232	
Other Support Services		233-239	
Ambulance Service (240-249)			
Ambulance Service		240	
Other Ambulance Services		241-249	
Fire (250-259)			
Fire Department		250	
Other Fire		251-259	
Other Protection (260-269)			
Civil Defense		260	
National Guard Armories		261	
Constables		262	

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
County Patrolmen		263	
School Crossing Guards		264	
Other Protection		265-269	
Flood Control (270-279)			
Flood Control		270	
Yazoo/Mississippi Delta Levee District		271	
Mississippi Levee District		272	
Other Flood Control		273-279	
Other Public Safety (280-299)			
Other Public Safety		280-299	
Public Works (300-399)			
Roads and Bridges		300	
District 1 Roads and Bridges		301	
District 2 Roads and Bridges		302	
District 3 Roads and Bridges		303	
District 4 Roads and Bridges		304	
District 5 Roads and Bridges		305	
Municipal Share of Road Tax (½ Share)		306	
Airports		307-329	
Ports and Harbors		330-339	
Sanitation and Waste Removal		340	
Other Public Works		341-399	
Health and Welfare (400-499)			
Health (400-449)			

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
Public Health Administration		400	
Other Public Health Administration		401-409	
Communicable Disease Control		410	
Rabies and Animal Control		411	
Mosquito and Pest Control		412	
Other Communicable Disease Control		413-419	
Health Centers and General Clinics		420-439	
Other Health		440-449	
Welfare (450-499)			
Welfare Administration		450	
Welfare Assistance (451-469)			
General Assistance (Paupers)		451	
Council on Aging		452	
Human Resource Agency		453	
Food Stamps		454	
Commodities Distributions		455	
County Home		456	
Donations for Patriotic and Charitable Uses		457	
Other Welfare		458-499	
Culture and Recreation (500-549)			
Libraries		500-509	
Recreation Centers		510-519	
Participant Recreation		520-529	
Parks		530-538	

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
Park Areas		539	
Other Culture and Recreation		540-549	
Education (550-599)			
Education		550-599	
Conservation of Natural Resources (600-649)			
Water Resources (600-629)			
Drainage Districts		600	
Water Management Districts		601	
Other Water Resources		602-629	
Agricultural Resources (630-639)			
Soil Conservation		630	
County Extension		631	
Other Agricultural Resources		632-639	
Other Conservation of Natural Resources		640-649	
Economic Develop. and Assistance (650-699)			
Urban Redevelopment and Housing (650-659)			
Public Housing Projects (HUD)		650	
Other Urban Redevelopment and Housing		651-659	
Economic Development (660-679)			
Planning and Development Districts (660-669)			
Northeast Mississippi		660	
Three Rivers		661	
Golden Triangle		662	
East Central Mississippi		663	

Department (or Program) Code	Fund Number	Department (or Program) Number	Objective Number
Southern Mississippi		664	
Southwest Mississippi		665	
Central Mississippi		666	
South Delta		667	
North Delta		668	
North Central Mississippi		669	
Community Development Block Grants		670-674	
Advertising County Resources		675	
Other Economic Development		676-679	
Economic Opportunity (680-699)			
Other Economic Opportunity Development and Assistance		680-699	
Undesignated (700-799)			
Undesignated (not used)		700-799	
Debt Service		800	
Interfund Transactions		900	

CLASSIFICATION OF OBJECTIVE ACCOUNTS

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Assets (001-099)			
<u>Cash and Investments:</u> For reporting purposes, this account combines financial data recorded in objective account numbers: <u>001 through 017.</u>			
Cash in bank			001-006
Cash in Sub-Offices (tax collector, circuit court, justice court, etc.)			007
Investments			008-014
Petty Cash			015-017
Cash with Fiscal Agent			018
Receivables (019-064)			
Accrued Interest Receivable			019
Property Taxes Receivable			020
Accounts Receivable			021
Allowance for Uncollectible Accounts (credit)			022
Fines Receivable			023
Allowance for Uncollectible Accounts (credit)			024
Loans Receivable			025
Capital Lease Receivable			026
Undesignated (not used)			027-049
Intergovernmental Receivables (this includes all receivables due from federal, state, and local governments.)			050
Other Receivables			051-052

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Undesignated (not used)			053
<u>Due From Other Funds (054-055):</u> For reporting purposes, this asset account combines financial data recorded in objective account numbers: <u>054 and 055</u> .			
Due from Governmental Funds			054
Due from Proprietary Funds			055
Advances to Other Funds			056
Due From Component Units			057
Due From Primary Government			058
Undesignated (not used)			059-064
<u>Prepaid Expenses:</u> For reporting purposes, this asset account combines financial data recorded in objective account numbers: <u>065 through 069</u> .			
Prepaid Insurance			065
Other Prepaid Expenses			066-069
<u>Inventories:</u> For reporting purposes, this asset account combines financial data recorded in objective account numbers: <u>070 through 074</u> .			
Inventory - Materials and Supplies			070
Inventory - Held for Resale			071
Other Inventories			072-074
<u>Restricted Assets:</u> For reporting purposes, this asset account combines financial data recorded in objective account numbers: <u>075 through 079</u> .			
Restricted cash and cash equivalents			075
Restricted investments			076
Other Restricted Assets			077-079

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
<u>Capital Assets (net)</u> : Capital assets that are purchased or constructed by governmental funds and internal service funds are reported net of accumulated depreciation in the <i>government activities</i> column on the statement of net assets. Capital assets that are purchased or constructed by enterprise funds are reported net of accumulated depreciation in the <i>business-type activities</i> column on the statement of net assets. Capital assets that are purchased or constructed by enterprise funds and internal service funds are also reported separately net of accumulated depreciation on the proprietary fund statement of net assets. This asset account combines financial data recorded in objective numbers <u>080 through 099</u> .			
Land (not depreciated)			080
Construction-in-Progress (not depreciated)			081
Buildings			082
Accumulated Depreciation - Buildings (credit)			083
Improvements Other Than Buildings			084
Accumulated Depreciation - Improvements Other Than Buildings (credit)			085
Mobile Equipment			086
Accumulated Depreciation - Mobile Equipment (credit)			087
Other Furniture and Equipment			088
Accumulated Depreciation - Other Furniture and Equipment (credit)			089
Leased Property Under Capital Leases			090
Accumulated Depreciation - Leased Property Under Capital Leases (credit)			091
Infrastructure - Roads			092
Accumulated Depreciation - Roads (credit)			093
Infrastructure - Bridges			094
Accumulated Depreciation - Bridges (credit)			095
Other Capital Assets			096-097

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Accumulated Depreciation - Other Capital Assets			098-099
Liabilities, Equities, and Other Credits (100-199)			
Claims Payable			100
Due to Primary Government			101
Due to Component Unit			102
Liabilities Payable From Restricted Assets			103
Net Wages Payable			104
Workmen's Compensation Payable			105
Garnishment Payable			106
Retainage Payable			107
Undesignated (not used)			108-112
<u>Intergovernmental Payables:</u> For reporting purposes, this liability account combines financial data recorded in objective account numbers: <u>113 through 148.</u>			
Due to Federal Government (113-118)			
Social Security (FICA) Payable			113
Federal Withholding Tax Payable			114
Other Due to Federal Government			115-118
Due to State Government (119-147)			
State Withholding Tax			119
State Retirement			120
Deferred Compensation			121
Traffic Violations			122
Implied Consent Law Violations			123
Game and Fish Law Violations			124
Litter Law Violations			125

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Other Misdemeanors			126
Other Felonies			127
Appearance Bond Fee Assessment			128
Court Constituents Assessment			129
Criminal Justice Fund Assessment			130
State Game and Fish License Assessment			131
Court Education			132
Drug Abuse and Drivers License Reinstatement			133
Domestic Violence			134
Department of Public Safety Wireless Communication System Assessment			135
Other Due to State Government			136-147
Due to Local Governments			148
<u>Due to Other Funds:</u> For reporting purposes, this liability account combines financial data recorded in objective account numbers: <u>149 and 150.</u>			
Due to Governmental Funds			149
Due to Proprietary Funds			150
Advances From Other Funds			151
Matured Bonds and Interest Payable			152
Accrued Interest Payable			153
<u>Deferred Revenue:</u> For reporting purposes, this liability account combines financial data recorded in objective account numbers: <u>154 through 158.</u>			
Deferred Revenue - Property Taxes			154
Deferred Revenue - Federal			155
Deferred Revenue - Garbage Fees			156

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Deferred Revenue - Lease Principal Payable			157
Deferred Revenue - Lease Interest Payable			158
Other (current) Payables			159-160
<u>Long-term Debt Due Within One Year:</u> (162 through 175):			161
Tax Anticipation Notes Payable (Non-Capital Debt)			162
Compensated Absences Payable (Non-Capital Debt)			163
Claims and Judgments Payable (Non-Capital Debt)			164
Road Equipment Notes Payable (Capital Debt)			165
Capital Leases Payable (Capital Debt)			166
General Oblig. Bonds Payable (Capital Debt)			167
General Oblig. Bonds Payable (Non-Capital Debt)			168
Limited Oblig. Bonds Payable (Capital Debt)			169
Limited Oblig. Bonds Payable (Non-Capital Debt)			170
Revenue Bonds Payable (Non-Capital Debt)			171
Other Long-term Liabilities (Capital Debt)			172-173
Other Long-term Liabilities (Non-Capital Debt)			174-175
<u>Long-term Debt Due in More Than One Year:</u> (177 through 190):			176
Tax Anticipation Notes Payable (Non-Capital Debt)			177
Compensated Absences Payable (Non-Capital Debt)			178
Claims and Judgments Payable (Non-Capital Debt)			179
Road Equipment Notes Payable (Capital Debt)			180
Capital Leases Payable (Capital Debt)			181
General Oblig. Bonds Payable (Capital Debt)			182

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
General Oblig. Bonds Payable (Non-Capital Debt)			183
Limited Oblig. Bonds Payable (Capital Debt)			184
Limited Oblig. Bonds Payable (Non-Capital Debt)			185
Revenue Bonds Payable (Non-Capital Debt)			186
Other Long-term Liabilities (Capital Debt)			187-188
Other Long-term Liabilities (Non-Capital Debt)			189
Equities (190-199)			
<p><u>Fund Balances:</u> Fund balance is the difference between assets and liabilities reported in a governmental fund. A reserved fund balance exists when a portion of a governmental fund's net assets are not available for appropriation or when restricted revenues are accounted for in a fund whose restrictions are broader than the one pertaining to that specific revenue; then any unexpended balance remaining at year-end would be reported as "reserved." Fund balances are reported <u>only</u> on the balance sheet for governmental funds.</p>			
Fund balance - Unreserved			190
Fund Balance - Reserved for Advances to Other Funds			191
Fund Balance - Reserved for Inventory			192
Fund Balance - Reserved for Non-Current Receivables			193
Fund Balance - Reserved for Unemployment Compensation (2% revolving fund only)			194
Other Reserve Fund Balance			195-198
Prior Period Adjustment (whenever fund balance is adjusted due to a prior period error, a written explanation should be retained by the county for future documentation.)			199
Revenues (200-399)			

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
<u>Property Taxes:</u> For reporting purposes, this revenue account combines financial data recorded in objective account numbers: <u>200 through 209.</u>			
Realty/Personal			200
Motor Vehicle			201
Mobile Home			202
Prior Year Property Tax			203
Land Redemption			204
Penalties and Interest on Delinquent Taxes			205
Mineral Lease			206
Other Taxes			207-209
Road and Bridge Privilege Tax (including damages)			210
<u>Licenses, Commissions and Other Revenues:</u> For reporting purposes, this revenue account combines financial data recorded in objective account numbers: <u>211 through 229.</u>			
Local Privilege Licenses			211
Chancery Clerk Fees			212
Circuit Clerk Fees			213
Tax Collector's Commissions and Fees			214
Sheriff Fees			215
Justice Court Clerk's Fees			216
Printer/Publication Fees			217
Mailing Fees			218
Building Permits			219
Law Library Fees			220

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Mobile Home Registration Fees			221
Other Licenses, Commissions, and Other Revenues			222-229
<u>Fines and Forfeitures:</u> For reporting purposes, this revenue account combines financial data recorded in objective account numbers: <u>230 through 238.</u>			
Justice Court Fines			230
Chancery Court Fines			231
Circuit Court Fines			232
County Court Fines			233
Youth Court Fines			234
Litter Fines			235
Other Court Fines			236
Bond Forfeitures			237
Sale of Confiscated Property / Cash Forfeitures			238
Special Assessments			239
<u>Intergovernmental Revenues:</u> For reporting purposes, this revenue account combines financial data recorded in objective account numbers: <u>240 through 319.</u>			
Federal Grants (240-255)			
Federal Grants Restricted for <u>Non-Capital</u> or Operating Purposes (240-246):			
Restricted for General Government			240
Restricted for Public Safety			241
Restricted for Public Works			242
Restricted for Health and Welfare			243

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Restricted for Culture and Recreation			244
Restricted for Conservation of Natural Res.			245
Restricted for Economic Development			246
Federal Grants Restricted for <u>Capital</u> Purposes (247-253)			
Restricted for General Government			247
Restricted for Public Safety			248
Restricted for Public Works			249
Restricted for Health and Welfare			250
Restricted for Culture and Recreation			251
Restricted for Conservation of Natural Res.			252
Restricted for Economic Development			253
Federal Grants Restricted for Enterprise Funds (254-255):			
Restricted for Operating Purposes Only			254
Restricted for Capital Purposes Only			255
Undesignated (not used)			256-260
State Sources (261-299)			
Reimbursement for Food Stamps/Welfare			261
Reimbursement for Homestead Exemption			262
Reimbursement for State Aid Roads			263
Reimbursement for Distribution of Commodities			264
Reimbursement for Emergency Management Funds (Civil Defense, Disasters, etc.)			265
Rental Car Tax			266
Rail Car Tax			267
Other State Grants Restricted for <u>Non-Capital</u> or Operating Purposes (268-274):			

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Restricted for General Government			268
Restricted for Public Safety			269
Restricted for Public Works			270
Restricted for Health and Welfare			271
Restricted for Culture and Recreation			272
Restricted for Conservation and Natural Res.			273
Restricted for Economic Development			274
Other State Grants Restricted for <u>Capital</u> Purposes Only (275-281):			
Restricted for General Government			275
Restricted for Public Safety			276
Restricted for Public Works			277
Restricted for Health and Welfare			278
Restricted for Culture and Recreation			279
Restricted for Conservation and Natural Res.			280
Restricted for Economic Development			281
Motor Vehicle Fuel Tax			282
Motor Vehicle Licenses			283
Oil Severance			284
Gas Severance			285
Timber Severance			286
Salt Severance			287
Liquor Privilege Tax			288
Insurance Premium Tax Distribution			289
National Forest Distribution (State and Federal)			290

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Federal/State Payments in Lieu of Tax			291
Grand Gulf Distribution			292
Gaming Revenues - Unrestricted (If restricted for operating and or capital purposes, then classify this revenue accordingly under objective account numbers: 268-274 or 275-281)			293
State Grants Restricted for Enterprise Funds (294-295):			
Restricted for Operating Purposes Only			294
Restricted for Capital Purposes Only			295
Other Unrestricted State Revenues / Grants			296-297
Unrestricted Gifts and Donations			298-299
Local Grants and Other Local Sources (300-319)			
Unrestricted Local Grants and Other Local Sources			300-305
Local Grants Restricted for Operating Purposes (306-312):			
Restricted for General Government			306
Restricted for Public Safety			307
Restricted for Public Works			308
Restricted for Health and Welfare			309
Restricted for Culture and Recreation			310
Restricted for Conservation and Natural Res.			311
Restricted for Economic Development			312
Local Grants Restricted for Capital Purposes (313-319)			
Restricted for General Government			313
Restricted for Public Safety			314
Restricted for Public Works			315

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Restricted for Health and Welfare			316
Restricted for Culture and Recreation			317
Restricted for Conservation and Natural Res.			318
Restricted for Economic Development			319
Charges for Services (320-329):			
Garbage Fees			320
Reimbursements for Housing Prisoners			321
911 Emergency Service Fees			322
Premium Charges (reported in self-funded health risk internal service funds)			323
Other Charges for Services (324-329): The restrictions shown below for other charges for services apply only when governmental funds are involved. For example, a charge for service deposited into the General Fund and restricted for general government is reported as a program revenue and netted against general government expenses on the government-wide statement of activities. However, when proprietary funds are involved, charges for services are restricted to the type of activity being financed (such as fees charged the public to operate a golf course recreation activity) and therefore are netted against the type of activity being financed.			
Restricted for General Government			324
Restricted for Public Safety			325
Restricted for Public Works			326
Restricted for Culture and Recreation			327
Restricted for Conservation and Natural Res.			328
Restricted for Economic Development			329
Interest Income			330

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
<u>Miscellaneous Revenues:</u> For reporting purposes, this revenue account combines financial data recorded in objective account numbers: <u>331 through 378.</u>			
Interest on Leases			331
Rents			332
Royalties			333
Oil and Mineral Leases			334
Gain on Sale of Capital Assets			335
Sales Income			336
Copying and Reproduction			337
Refund of Prior Year Expenditures			338
Judgments Recovered			339
Refunds			340
Cancelled Warrants			341
Other (small) Miscellaneous Revenues			342-378
Contributions to Permanent Funds			379
Other Financing Sources (380-389):			
<u>Proceeds from Long-Term Debt:</u> For reporting purposes, this account includes bond proceeds recorded in objective account numbers: <u>380 and 381.</u>			
Long-Term (<u>Capital</u>) Debt Issued			380
Long-Term (<u>Non-Capital</u>) Debt Issued			381
Refunding Bonds Issued (Non-Capital Debt)			382
Proceeds From Sales of Capital Assets			383
Premium on Bonds Sold			384
Compensation for Loss of Capital Assets			385

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Undesignated (not used)			386
<u>Transfers In (387-388):</u> For reporting purposes, this account includes financial data recorded in objective account numbers: <u>387 and 388</u> .			
Transfers in from Governmental Funds			387
Transfers in from Proprietary Funds			388
Undesignated (not used)			389
Special Items			390-394
This account includes items that are <i>either</i> unusual in nature <i>or</i> infrequent in occurrence <i>and</i> are subject to management's control. An example is a significant gain or proceeds that results from a decision by management to sell all of its county park land.			
Extraordinary Items			395-399
This account includes items that are <i>both</i> unusual in nature <i>and</i> infrequent in occurrence but are <u>not</u> under the control of management. An example would be an unexpected large bequest or donation to the county from a private citizen or business establishment.			
Expenditures/Expenses and Other Financing Uses (400-999)			
Personal Services (400-499)			
Salaries and Wages (400-444)			
Professional Salaries (400-410)			
Officials			400
Administrative/Managerial/Foreman			401
Deputies			402
Investigators/Detectives			403
Office/Clerical			404
Attorneys			405
Engineers			406

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Accountants			407
Data Processing (EDP)			408
Other Professional Salaries			409-410
Court Salaries (411-419)			
Court Reporter and/or Stenographer			411
Bailiff			412
Other Court Salaries			413-419
Road Employees (420-429)			
Road Employees			420
Road Laborers (Hourly Employees)			421
Drivers			422
Equipment Operators			423
Other Road Employees			424-429
Service Employees (430-439)			
Maintenance and/or Service Employees			430
Radio Operators and/or Dispatchers			431
Jailors and/or Guards			432
County Patrolmen			433
Emergency Medical Employees			434
Firemen			435
Other Service Employees			436-439
Other Salaries and Wages (440-444)			440-444
Statutory Fees (445-464)			
Statutory Fees			445

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Clerk of the Board			446
Attending Board Meetings			447
County Auditor			448
County Treasurer			449
Copying Tax Rolls			450
Homestead Exemption Service			451
Recording Discharges			452
Public Services Not Otherwise Provided			453
Attending Court			454
County Registrar			455
Undesignated			456
State Fail Cases			457
Vital Statistics			458
Election Fees			459
Other Fees			460-464
Fringe Benefits (465-474)			
State Retirement Matching			465
Social Security Matching			466
Workers' Compensation			467
Group Insurance			468
Unemployment Insurance			469
Other Fringe Benefits			470-474
Travel (475-485)			
Travel and Subsistence			475

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Meals and Lodging			476
Travel in Private Vehicle			477
Travel in Rented Vehicle			478
Travel in Public Carrier			479
Other Travel Costs			480-485
Other Personal Services (486-499)			486-499
Contractual Services (500-599)			
Communications (500-509)			
Communications			500
Postage and Box Rent			501
Telephone Service			502
Other Communications			503-509
Utilities (510-519)			
Utilities			510
Other Utilities			511-519
Advertising and Contractual Printing (520-529)			
Contractual Printing			520
Legal Advertising			521
Advertising County Resources			522
Other Advertising and Contractual Printing			523-529
Rentals (530-539)			
Rental of Real Property			530
Rental of EDP and Computer Equipment			
and Computer Usage/Time			531

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Rental of Road Equipment			532
Rental of Other Equipment			533
Other Rentals			534-539
Repairs and Maintenance by Outside Persons (540-549)			
Buildings			540
Road Machinery and Equipment			541
Vehicles			542
Office Furniture and Equipment			543
Service and Maintenance Contract			544
Repairs to Roads and Bridges (non-capital outlay expenditures)			545
Other Repairs and Maintenance			546-549
Professional Fees and Other Services (550-569)			
Legal Fees			550
Auditing Fees			551
Medical Fees			552
Computer / EDP / Data Processing Services			553
Consultant Fees			554
Engineering Fees			555
Other Professional Fees and Services			556-569
Other Contractual Services (570-599)			
Insurance and Fidelity			570
Dues and Subscriptions			571
Election Commissioners' Fees			572
Election Workers's Fees			573

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Undesignated			574
Jurors and Witness Fees			575
Room and Board for Jurors			576
Bailiffs' Fees			577
Allowance for Lost Cost (Constable)			578
Feeding of Prisoners			579
Mosquito and Pest Control			580
Other Contractual Services			581-599
Consumable Supplies and Materials (600-699)			
Office Supplies and Materials (600-609)			
Record Books, Binders, and Dockets			600
Law Library Materials			601
Duplication and Reproduction			602
Office Supplies and Materials			603
Mineral Stamps			604
Mobile Home Registrations			605
Other Office Supplies and Materials			606-609
Professional Supplies and Materials (610-629)			
Professional Supplies			610
Mapping and Reappraisal			611
Engineering			612
Law Enforcement			613
Photographic and Reproduction Supplies			614
Other Professional Supplies			615-629

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Maintenance Supplies and Materials (630-699)			
Land Improvement Supplies			630
Gravel or Shell			631
Asphalt			632
Concrete			633
Culverts			634
Topping and Fill Dirt			635
Bridge Lumber			636
Bridge Piling			637
Pre-Cast Bridges			638
Signs			639
Fencing			640
Building Repairs and Supplies			641
Paint and Preservatives			642
Hardware, Plumbing, and Electrical Supplies			643
Small Tools			644
Custodial Supplies and Cleaning Agents			645
Other Maintenance Supplies and Materials			646-669
Petroleum Products (670-679)			
Undesignated			670
Gasoline			671
Diesel Fuel			672
Liquified Gas			673
Lubricating Oils and Grease			674

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Antifreeze, Starter Fluid, Etc.			675
Other Petroleum Products			676-679
Machinery Repair Parts (680-689)			
Tires and Tubes			680
Repair and Replacement Parts			681
Other Machinery Repair Parts			682-689
Other Consumable Supplies and Materials (690-699)			
Electronic Supplies and Repair Parts			690
Uniforms			691
Clothes and Dry Goods for Prisoners			692
Food for Jurors			693
Food for Prisoners			694
Other Consumable Supplies and Materials			695-699
Grants, Subsidies, and Allocations (700-799)			
Assistance to Individuals			700
Grants to Other Governmental Agencies			701-749
Grants and Subsidies to Other Organizations			750-799
Debt Service (800-899)			
Principal Retirement - Capital Debt			800
Principal Retirement - Non-Capital Debt			801
Interest Expense			802
Fiscal Agents' Fees			803
Bond Issue Costs			804
Other Debt Service			805-899

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
<u>Capital Outlay (900-923)</u> : Except for the purchase of land (which is always capitalized) and construction of infrastructure (see capitalization criteria explained under 912-914), expenditures for capital outlay should be capitalized and depreciated on the government-wide financial statements <u>only</u> if they meet a certain capitalization threshold for a particular asset classification. For example, if a building project is expected not to equal or exceed \$50,000, then all costs should be recorded to the 901 objective account number below, and therefore none of the costs associated with the building project would be capitalized and depreciated. However, if a building project is expected to cost \$50,000 or more, then all costs should be recorded to the 902 objective account number below, and all costs would then be capitalized and depreciated on the government-wide financial statements.			
Land: (no threshold: always capitalize)			900
Buildings (Cost less than \$50,000)			901
Buildings (Cost of \$50,000 and above)			902
Improvements Other Than Buildings (903-910)			
Parking Lots and Sidewalks (Cost less than \$25,000)			903
Parking Lots and Sidewalks (Cost of \$25,000 and above)			904
Lighting (Cost less than \$25,000)			905
Lighting (Cost of \$25,000 and above)			906
Other Improvements (Cost less than \$25,000)			907-908
Other Improvements (Cost of \$25,000 and above)			909-910
Construction-in-Progress			911
<u>Infrastructure (912-914)</u> : Expenditures for infrastructure are not subject to a capitalization threshold. The reason is because expenditures made to construct new infrastructure (e.g., a new road or bridge) are always capitalized and depreciated, and expenditures on existing infrastructure that either extends its useful life or increases its load capacity are always capitalized and depreciated.			
Roads			912

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Bridges			913
Dams and Spillways			914
Machinery and Equipment (915-920)			
Mobile Equipment (915-918)			
Vehicles (Cost of \$5,000 and above: if under \$5,000 classify under objective account number: 917)			915
Heavy Road Equipment and Machinery (Cost of \$5,000 and above: if under \$5,000 classify under objective account number: 917)			916
Other Mobile Equipment (Cost less than \$5000)			917
Other Mobile Equipment (Cost of \$5,000 and above)			918
Furniture and Office Equipment (Cost less than \$5,000)			919
Furniture and Office Equipment (Cost of \$5,000 and above)			920
Other Capital Outlay (Cost less than \$5,000)			921
Other Capital Outlay (Cost of \$5,000 and above)			922
Non-Capitalized Property (Under legal compliance threshold of \$500; not including exceptions)			923
Undesignated (not used)			924-939
<p><u>Depreciation Expense:</u> Depreciation on capital assets is <u>not</u> recorded in governmental funds but is reported by function or department on the statement of activities. Depreciation is recorded within proprietary funds and then reported on the statement of revenues, expenses, and changes in net assets for proprietary funds.</p>			

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Depreciation Expense			940
Loss on Sale of Capital Assets			941
Bad Debt Expense			942
<u>Operating Costs Capitalized</u> : This is a credit or contra expenditure account that reduces public works expenditures for certain operating costs capitalized as part of infrastructure. For example, if county employees and county-owned equipment are used to build a road, a pro-rata portion of the salaries and equipment costs should be charged as part of the capitalized cost of building the road.			943
<u>Payments in Accordance with Trust Agreements</u> : This type of expense is made only from private-purpose trust funds and concerns payments made to beneficiaries or other third parties in accordance with established trust agreements or by a court order.			944
<u>Nonoperating Expenses</u> : Non-operating expenses can occur only in proprietary funds and, by definition, do not qualify as operating expenses because they are not incurred or paid for the purpose of generating operating income. Two examples are fines paid another government and payments made in lieu of taxes.			945-950
Other Financing Uses (951-954)			
<u>Transfers Out (951-952)</u> : For reporting purposes, this account includes financial data recorded in objective account numbers: <u>951 and 952</u> .			
Transfers Out to Governmental Funds			951
Transfers Out to Proprietary Funds			952
Payments to Refunded Bond Escrow Agent			953
Discount on Bonds Issued			954

Objective Account Code	Fund Number	Department (or Program) Number	Objective Number
Undesignated (not used)			955-959
Special Items			960-979
This account includes items that are <i>either</i> unusual in nature <i>or</i> infrequent in occurrence <i>and</i> are subject to management's control. An example is a significant loss that results from a decision by management to sell all of its county park land.			
Extraordinary Items			980-999
This account includes items that are <i>both</i> unusual in nature <i>and</i> infrequent in occurrence but are <u>not</u> under the control of management. An example is significant costs incurred due to a natural disaster (tornado, hurricane, flood, earthquake, etc.)			

DEFINITIONS

Fund Definitions

- (001-024) General Funds - These funds are established to account for all financial resources except those required to be accounted for in another fund.
- (025-199) Special Revenue Funds - These funds are established to account for the proceeds of specific revenues (other than those for major capital projects) that are legally restricted to expenditures for specified purposes.
- (200-299) Debt Service Funds - These funds are established to account for the accumulation of resources for and the payment of general long-term debt principal and interest. Individual fund titles should include the identification of the specific issues.
- (300-389) Capital Projects Funds - These funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).
- (390-399) Permanent Funds - These funds are established to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs (i.e., for the benefit of the government or its citizenry).
- (400-499) Enterprise Funds - These funds are established to account for activities for which a fee is charged to external users for goods or services. GAAP also require the use of an enterprise fund for any activity whose principal revenue sources meet any of the following criteria: (1) debt backed solely by fees and charges, (2) legal requirement to recover cost, and (3) policy decision to recover cost.
- (500-599) Internal Service Funds - These funds are established to account for the financing of goods or services provided by one fund, department or agency to other funds, departments or agencies of the financial reporting entity on a cost-reimbursement basis.
- (600-649) Private Purpose Trust Funds - These funds account for trust arrangements, including those for escheat property, where principal and income benefit individuals, private organizations or other governments.
- (650-699) Agency Funds - These funds account for assets held by a government in a purely custodial capacity.

- (700-799) Undesignated - These account numbers are for future expansion of funds
- (800) Long-term Debt - This account number is used to record all long-term debt transactions.
- (900) Capital Assets - This account number is used to record all capital asset transactions.

Department (or Program) Definitions

- (100-199) General Government - Include in this all expenditures for the general executive officers and boards of the government, financial and personnel activities, judicial activities, elections and other general government expenditures.
- (100) Board of Supervisors - Include in this direct expenditures of the governing board.
- (101) Chancery Clerk's Department - Include in this expenditures for the cost of the Chancery Clerk's Department in connection with his or her office.
- (102) Circuit Clerk's Department - Include in this expenditures for salaries and other costs of the Circuit Clerk and employees connected with the department.
- (103) Tax Assessor's Department - Include in this expenditures for salaries and other costs of the Tax Assessor and employees connected with the department.
- (104) Tax Collector's Department - Include in this expenditures for salaries and other costs of the Tax Collector and employees connected with the department.
- (105) Tax Assessor/Collector's Department - Include in this expenditures for salaries and other costs of the Tax Assessor-Collector and employees connected with the department.
- (106-119) Other General Administration - Include in this expenditures for all other general administrative functions not strictly a part of the major account group.
- (120-129) Financial Administration - Include in this expenditures of central staff agencies performing financial management functions for the government.
- (120) County Administrator's Department - Include in this expenditures for administration of financial management functions as well as general administration.
- (121) Financial Administrator/Comptroller's Department - Include in this expenditures of performing financial management and/or accounting functions.
- (122) Purchasing Administration Department - Include in this expenditures of the purchasing department.
- (123) Inventory Administration Department - Include in this expenditures of the inventory department.

- (124) Receiving Administration Department - Include in this expenditures of the receiving department.
- (125-129) Other Financial Administration - Include in this expenditures for all other financial administration functions which are not strictly part of the major account group.
- (130-139) Law - Include in this expenditures for legal services required in the discharge of functions and activities. Included are legal costs, board attorney or other attorneys who render legal advice and service to the governing board or administrative agencies of the government; who draft laws, ordinances or administrative regulations for the governing board and its administrative agencies; and who serve as counsel in lawsuits in which the government is a party.
- (130) Board Attorney - Include in this cost of the board attorney who is employed full time.
- (131-139) Other Law - Include in this expenditures for all other law functions not strictly part of the major account group.
- (140-149) Personnel Administration - Include in this accounts which record expenditures of the agency or agencies performing central personnel and related services for the entire government. Such services include the following: general supervision of personnel management, position classification, recruitment, placement (transfers, promotions, demotions), service ratings, attendance, payroll certification, separations, fringe benefits, and retirement systems.
- (140) Personnel Administration - Include in this expenditures of a central personnel department and related services.
- (141-149) Other Personnel Administration - Include in this expenditures for all other personnel administration not part of the major account group.
- (150-159) Other Administration - Include in this all other administration expenses required in the discharge of duties and functions.
- (150) Superintendent of Education's Department - Include in this expenditures of the county school system.
- (151) Maintenance of Buildings and Grounds - Include in this expenditures for routine maintenance and repairs of buildings and grounds owned and operated by the county.

- (152) Data Processing (EDP) - Include in this expenditures for the central data processing or electronic data processing department.
- (153) Reappraisal and Mapping - Include in this expenditures for cost of reappraisal and mapping.
- (154) Veterans Service Office - Include in this expenditures for cost of the Veterans Service Office.
- (155-159) Other Administration - Include in this expenditures for all other administrative functions not strictly part of the major account group.
- (160-179) Judicial - Include in this expenditures for judicial activities.
 - (160) Chancery Court - Include in this expenditures for judicial activities involving Chancery Court.
 - (161) Circuit Court - Include in this expenditures for judicial activities involving Circuit Court.
 - (162) County Court - Include in this expenditures for judicial activities involving County Court.
 - (163) Juvenile Court - Include in this expenditures for judicial activities involving Juvenile Court (Youth Court).
 - (164) Family Court - Include in this expenditures for judicial activities involving Family Court.
 - (165) Lunacy Court - Include in this expenditures for judicial activities involving Lunacy Court (mentally ill).
 - (166) Justice Court - Include in this expenditures for judicial activities involving Justice Court (justice court judges/clerks).
 - (167) Coroner and Ranger - Include in this expenditures for judicial activities involving the Coroner (inquests and autopsies).
 - (168) District Attorney - Include in this expenditures for the office of District Attorney.
 - (169) County Attorney - Include in this expenditures for the office of County Attorney.
 - (170) Public Defender - Include in this expenditures for the office of Public Defender.

- (171) Court Administration - Include in this expenditures for the office of Court Administrator.
- (172-179) Other Judicial - Include in this expenditures for all other judicial functions not part of the major account groups.
- (180-189) Elections - Include in this direct expenditures for registering voters and holding general, primary and special elections. Salaries of the Circuit Clerk and other officials performing election duties recurrently and incidentally as part of their broader duties are not charged to Elections, but to their respective departmental activities. The salaries of election commissioners, managers, poll workers, etc., are chargeable to this account.
- (180) Elections - Include in this the above listed expenditures.
- (181-189) Other Elections - Include in this expenditures for all other election functions not strictly part of the major account group.
- (190-199) Other General Government - Include in this expenditures for all other general government functions not strictly part of the major account groups.
- (200-299) Public Safety - This group is a major function of local government which has as its objective the protection of persons and property. This includes the functions of the Sheriff's Department (protection), crime control, support services, ambulance service and fire protection.
- (200-219) Sheriff - Include in this expenditures incurred by the Sheriff's Department in the administration of various law enforcement activities.
- (200) Sheriff Administration - Include in this expenditures incurred by the Sheriff and his deputies in supervising the activities of the Sheriff's Department. In addition to the direction of departmental personnel and budgetary responsibilities, this supervision may include long-range planning, research in problems of criminal activity and law enforcement, and investigatory and intelligence activities which disclose the integrity and effectiveness of the department's administrative activities and which provide information on known criminals and organized crime.
- (201-219) Other Sheriff - Include in this expenditures for all other Sheriff administration functions not strictly part of the major account group.
- (220-229) Crime Control - Include in this expenditures for activities to suppress crime.

- (220) Custody of Prisoners (Imprisonment and/or Jail) - Include in this expenditures for temporary detention and custody of offenders. Such expenditures include cost of operating a jail and caring for prisoners pending conviction or permanent disposition of their cases.
- (221-229) Other Crime Control - Include in this expenditures for all other crime control functions not strictly part of the major account group.
- (230-239) Support Services - Include in this expenditures to support services for public safety *sufficient to create a separate department for the support services.*
- (230) Communication Services - Include in this expenditures for providing and maintaining Sheriff's communications, including receipt of calls for Sheriff assistance, dispatch of Sheriff's units, maintenance of time and location records on dispatched units, provision of information requested by Sheriff's units and maintenance of Sheriff's communications equipment.
- (231) Automotive Services - Include in this expenditures for maintenance and servicing of Sheriff's vehicles, for wrecker services for Sheriff's and apprehended vehicles, and for maintaining special equipment of Sheriff's vehicles such as lights, gun mounts, and decals.
- (232) Medical Services - Include in this account expenditures for rendering first aid to civilians and for medical examinations, treatment and hospital care of prisoners, either directly by the government or as a contractual service.
- (233-239) Other Support Services - Include in this expenditures for all other support services functions not strictly a part of the major account group.
- (240-249) Ambulance Service - Include in this expenditures incurred for ambulance service.
- (240) Ambulance Service - Include in this expenditures for emergency ambulance services provided as a contractual service.
- (241-249) Other Ambulance Service - Include in this expenditures for all other ambulance service functions not strictly a part of the major group.
- (250-259) Fire - Include in this expenditures incurred in preventing and fighting fires.
- (250) Fire Department - Include in this expenditures for fire department administration, firefighting, prevention, training and operations.
- (251-259) Other Fire - Include in this expenditures for all other fire functions not strictly part

of the major account group.

- (260-269) Other Protection - Include in this expenditures for protection not strictly part of the foregoing major account group.
- (260) Civil Defense - Include in this expenditures for the preparation of survival plans for use in the event of war or natural disaster, for administration of training programs for protection and survival, and for provision and inspection of shelters, shelter supplies and other civil defense installations and equipment.
- (261) National Guard Armories - Include in this expenditures for maintenance of armories, support of militias and maintenance of related facilities such as drill fields and rifle ranges.
- (262) Constables - Include in this expenditures for other protection activities involving constables.
- (263) County Patrolmen - Include in this expenditures for other protection activities involving county patrolmen.
- (264) School Crossing Guards - Include in this expenditures for other protection activities involving school crossing guards.
- (265-269) Other Protection - Include in this expenditures for all other protection not strictly part of the major account group.
- (270-279) Flood Control - Include in this expenditures for walls, levees and other devices which protect persons and property from surface water damage.
- (270) Flood Control - Include in this expenditures for levies and other devices which protect individuals and property from water damage.
- (271) Yazoo Mississippi Delta Levee District - Include in this collection and transfer of a special levy to pay for expenditures for construction, maintaining and repairing levees in the district.
- (272) Mississippi Levee District - Include in this collection and transfer of a special levy to pay for the expenditures for construction, maintaining and repairing levees in the district.
- (273-279) Other Flood Control - Include in this expenditures for flood activities not strictly part of the foregoing major account groupings.

- (280-299) Other Public Safety - Include in this expenditures for all other public safety functions not strictly part of the major account group.
- (300-399) Public Works - This group includes accounts for recording expenditures of public works for benefit of the general public. This will include expenditures for construction, maintenance and repair of roads and bridges, airports, ports and harbors, and sanitation and waste removal.
- (300) Roads and Bridges - Include in this expenditures for maintenance and/or construction of roads and bridges.
- (301) District 1 Roads and Bridges - Include in this District 1 expenditures for maintenance and/or construction of roads and bridges.
- (302) District 2 Roads and Bridges - Include in this District 2 expenditures for maintenance and/or construction of roads and bridges.
- (303) District 3 Roads and Bridges - Include in this District 3 expenditures for maintenance and/or construction of roads and bridges.
- (304) District 4 Roads and Bridges - Include in this District 4 expenditures for maintenance and/or construction of roads and bridges.
- (305) District 5 Roads and Bridges - Include in this District 5 expenditures for maintenance and/or construction of roads and bridges.
- (306) Municipal Share of Road Tax (½ Share) - Include in this a county municipality's share of the road tax collected by the county.
- (307-329) Airports - Include in this expenditures for acquiring, operating and maintaining airports and related facilities.
- (330-339) Ports and Harbors - Include in this expenditures for acquiring, operating and maintaining ports and harbors and related facilities.
- (340) Sanitation and Waste Removal - Include in this all activities involved in the removal and disposal of sewage and other types of waste matter.
- (341-399) Other Public Works - Include in this expenditures for all other public works functions not strictly part of the major account group.
- (400-499) Health and Welfare - This group is a major function which includes all activities involved in improvement of public health and welfare.

- (400-449) Health - This group is a major function which includes all activities involved in the conservation and improvement of public health.
- (400) Public Health Administration - Include in this expenditures for general administration of public health activities. Included in this is Vital Statistics which is charged with expenditures incurred for preparing and maintaining vital records of births, deaths, adoptions, marriages, divorces and communicable diseases; preparing reports and statistical analyses of such data; and issuing certified copies of birth certificates, death certificates and other records as permitted and required by law.
- (401-409) Other Public Health Administration - Include in this expenditures for all other public health administration functions not strictly part of the major account group.
- (410) Communicable Disease Control - Include in this expenditures incurred in the prevention of certain defined communicable diseases. Included in this account should be any costs associated with vaccination of animals.
- (411) Rabies and Animal Control - Include in this expenditures incurred for the prevention of rabies. Prevention activities includes the impounding of dogs running at large, keeping records of impounded animals, disposition of unredeemed dogs, quarantining dogs which have bitten human beings, disposing of infected dogs and confining and examining dogs suspected of having rabies.
- (412) Mosquito and Pest Control - Include in this expenditures incurred for prevention and control of mosquitoes and pests.
- (413-419) Other Communicable Diseases - Include in this group expenditures incurred for prevention and treatment of all communicable diseases other than those in the major account group.
- (420-439) Health Centers and General Clinics - Include in this expenditures for health centers and general clinics furnishing various types of clinical services. Dispensaries, if operated in connection with clinics, should be considered part of the clinic.
- (440-449) Other Health - Include in this group is charged with all expenditures for all other health functions not strictly part of the major account group.
- (450-499) Welfare - This group is a major function which includes all activities designed to provide public assistance and institutional care for individuals economically unable to provide essential needs for themselves.

- (450) Welfare Administration - Include in this expenditures for general administration of all public welfare activities.
- (451-469) Welfare Assistance - Include in this expenditures, in cash or in-kind, made to eligible welfare recipients. If several categorical programs of assistance exist, expenditures should be classified under one or more of the following categorical assistance programs:
- (451) General Assistance (Paupers) - Include in this expenditures to families or individuals who meet specified eligibility criteria and who are not classified under one of the other categorical welfare programs. General assistance refers to such forms of welfare as home relief, pauper care and general emergency relief.
- (452) Council on Aging - Include in this expenditures made to support persons older than a specified age limit who are economically unable to provide essential needs for themselves.
- (453) Human Resources Agency - Include in this expenditures for administration of programs heretofore conducted by community action agencies and related programs authorized by federal law.
- (454) Food Stamps - Include in this expenditures made to support administration and distribution of the food stamp program.
- (455) Commodities Distribution - Include in this expenditures made to support the administration and distribution of the commodities program.
- (456) County Home - Include in this expenditures for county homes that provide relief and support for the poor of the county.
- (457) Donations for Patriotic and Charitable Uses - Include in this expenditures for certain patriotic and charitable uses as authorized in Section 19-5-93, Mississippi Code Annotated (1972).
- (458-499) Other Welfare - Include in this expenditures for all other welfare assistance functions not strictly part of the major account group.
- (500-549) Culture and Recreation - This group is a major function which includes all cultural and recreational activities maintained for the benefit of residents and visitors.
- (500-509) Libraries - Include in this all expenditures for public libraries.

- (510-519) Recreation Centers - Include in this expenditures for construction, maintenance and operation of multi-purpose recreation centers which contain recreational facilities such as a gymnasium, athletic fields or craft rooms.
- (520-529) Participant Recreation - Include in this expenditures for recreational facilities and activities in which direct participation is the primary attribute. Examples of such activities include organized athletics, individual participant sports such as indoor and outdoor games of various kinds.
- (530-538) Parks - Include in this expenditures for public parks, public squares and similar ornamental areas. Excluded from this account classification are grounds surrounding public buildings, land areas encompassed in other recreational facilities and incidental landscaping, and maintenance of areas elsewhere classified as recreational.
- (539) Park Areas - Include in this expenditures for acquiring, operating and maintaining park areas and related facilities. These include land used for a park; planting and care of park lawns, trees, shrubs and flowers; park roads, walks and paths; park waterways; and park structures and equipment. Where multiple parks are operated, a separate account should used for each park.
- (540-549) Other Culture-Recreation - Include in this expenditures for other culture-recreation functions not mentioned in the foregoing major account group.
- (550-599) Education - This group is charged with expenditures related to education.
- (600-649) Conservation of Natural Resources - This group includes activities designed to conserve and develop such natural resources as water, soil, forests and minerals. Conservation expenditures should be classified according to the specific type of resource.
- (600-629) Water Resources - Include in this activities designed to conserve and develop water resources.
- (600) Drainage Districts - Include in this collection and transfer of a special levy to pay for activities which construct and maintain artificial main drains and ditches, lateral drains and ditches and fill drains, etc., for development of water resources in the district.
- (601) Water Management District - Include in this collection and transfer of a special levy for activities for the improvement and protection of the natural bodies of water in the state of Mississippi.

- (602-629) Other Water Resources - Include in this expenditures for all other water resource functions not strictly part of the major account group.
- (630-639) Agricultural Resources - Include in this activities designed to conserve and develop agricultural resources.
- (630) Soil Conservation - Include in this activities to conserve soil and water resources, and to control and prevent soil erosion.
- (631) County Extension - Include in this activities involving the county extension department in agriculture and home economics. The purpose of the department is to provide useful information to farmers, develop agricultural resources and promote home economics.
- (632-639) Other Agricultural Resources - Include in this expenditures for all other agricultural functions not strictly part of the major account group. Included in this group is fire ant protection.
- (640-649) Other Conservation of Natural Resources - Include in this expenditures for all other conservation of natural resource functions not strictly part of the major account group.
- (650-699) Economic Development and Assistance - This group includes activities directed toward the economic development of the area encompassed by the government and the provision of assistance and opportunity for persons who are economically disadvantaged.
- (650-659) Urban Redevelopment and Housing - Include in this activities concerned with planning and provision of adequate housing and redevelopment of substandard and blighted physical facilities in urban areas.
- (650) Public Housing Projects (HUD) - Include in this expenditures for acquisition, furnishing, maintenance and operation of the government's public housing projects. Where more than one project of this kind is carried on, a separate account should be used for each project.
- (651-659) Other Urban Redevelopment and Housing - Include in this expenditures for urban redevelopment and housing projects not included under the foregoing accounts. Included here are all intergovernmental expenditures for urban redevelopment and housing activities administered by other governments.
- (660-679) Economic Development - Include in this expenditures made to foster economic growth and development of the area of governmental jurisdiction. Such

development activities include economic and industrial surveys, financial assistance to new industries and business concerns, acquisition of industrial sites, industrial development agency contact activities and promotional advertising.

- (660-669) Planning and Development Districts - Include in this expenditures for providing local areas with a variety of services and expertise, technical assistance, planning, grant administration and implementation of programs.
- (660) Northeast Mississippi Planning and Development District
- (661) Three Rivers Planning and Development District
- (662) Golden Triangle Planning and Development District
- (663) East Central Mississippi Planning and Development District
- (664) Southern Mississippi Planning and Development District
- (665) Southwest Mississippi Planning and Development District
- (666) Central Mississippi Planning and Development District
- (667) South Delta Planning and Development District
- (668) North Delta Planning and Development District
- (669) North Central Mississippi Planning and Development District
- (670-674) Community Development Block Grants - Include in this expenditures made to provide local areas with community development block grants.
- (675) Advertising County Resources - Include in this expenditures that would "bring into favorable notice the opportunities, possibilities and resources" of the county.
- (676-679) Other Economic Development - Include in this expenditures for economic development not included under the foregoing accounts.
- (680-699) Economic Opportunity - Include in this expenditures for various programs designed to eliminate poverty and its causes. Expenditures should be classified according to the specific type of program and/or project and in accordance with current federal grants made for such programs.
- (700-799) Undesignated

- (800) Debt Service - This group includes interest and principal payments on general long-term debt.
- (900) Interfund Transactions - Include in this amounts transferred to a particular fund by other funds of the same government.
- (901-999) Other Departments (or Programs) - This group includes expenditures which cannot be properly classified under or allocated to the foregoing functions and activities.

OBJECTIVE ACCOUNT DEFINITIONS

Assets and Other Debits

- (001-099) Assets and Other Debits - This group includes resources owned or held which have monetary value.
- (001-006) Cash in Bank - Include in this demand deposits with a bank or savings and loan institution accounted for in the chancery clerk's office (or central depository system of the county).
- (007) Cash in Sub-Offices - This account is used to record an adjustment to be made at fiscal year end (September 30) for reconciled cash balances accounted for in the various sub-offices of the county (e.g., cash accounts held in the tax collector's office, circuit clerk's office, and justice clerk's office) that were on deposit with a bank or savings and loan institution.
- (008-014) Investments - Include in this savings accounts, certificates of deposit, treasury bills, treasury notes, bonds, securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. This account does not include real estate used in governmental operations.
- (015-017) Petty Cash - Include in this money set aside for the purpose of making change or paying small obligations for which the issuance of a formal voucher and check would be too expensive and time consuming.
- (018) Cash with Fiscal Agent - Include in this deposits with fiscal agents, such as commercial banks, for the payment of matured bonds and interest.
- (019) Accrued Interest Receivable - Include in this the amount of interest receivable on all investments.
- (020) Property Taxes Receivable - Include in this the uncollected portion of taxes which a government has levied, due currently, and not yet delinquent.
- (021) Accounts Receivable - Include in this amounts owed on open account from private individuals or organizations for goods and services furnished by a government (but not including amounts due from other funds or from other governments). Although taxes receivable are forms of accounts receivable, they should be recorded and reported separately as taxes receivable.
- (022) Allowance for Uncollectible Accounts Receivable (credit) - Include in this that portion of accounts receivable estimated not to be collectible. The balance in this

account is reported as a deduction from accounts receivable to indicate net accounts receivable.

- (023) Fines Receivable - Include in this all fines imposed by Circuit Court, Justice Court, County Court, etc. but not yet collected.
- (024) Allowance for Uncollectible Fines Receivable (credit) - Include in this that portion of fines receivable estimated not to be collectible. The balance in this account is reported as a deduction from fines receivable to indicate net fines receivable.
- (025) Loans Receivable - Include in this amounts loaned to individuals or organizations external to a government, including notes taken as security for such loans. Loans to other governments should be recorded and reported separately.
- (026) Capital Lease Receivable - Include in this the total of all lease rental payments to be received in connection with a lease.
- (027-049) Undesignated
- (050) Intergovernmental Receivables - Include in this amounts due the reporting government from the federal, state, or local government. These amounts may represent intergovernmental grants, entitlements or shared revenues but do not represent charges for goods or services rendered by the reporting government for another government.
- (051-052) Other Receivables - Include in this receivable transactions not part of the major account group.
- (053) Undesignated
- (054) Due from Governmental Funds - Include in this amounts loaned to governmental funds.
- (055) Due from Proprietary Funds - Include in this amounts loaned to proprietary funds.
- (056) Advances to Other Funds - Include in this noncurrent portions of long-term loans by one fund to other funds of the same government. This account will include all interfund obligations not expected to be repaid within one year.
- (057) Due from Component Units - Amounts owed by a discretely presented component unit to a primary government as a result of goods or services provided or loans made to the discretely presented component unit.

- (058) Due from Primary Government - Amounts owed by a primary government to a discretely presented component unit as a result of goods or services provided or loans made to the primary government.
- (059-064) Undesignated
- (065) Prepaid Insurance - Include in this insurance premiums paid in advance for coverage that extends beyond the fiscal year.
- (066-069) Other Prepaid Expenses - Include in this prepaid expense transactions not part of the major account group.
- (070) Inventories-Materials and Supplies - Include in this inventories of materials and supplies on hand for future consumption. Inventories should be recorded only if material (significant) amounts of inventory items are on hand at fiscal year-end.
- (072) Inventories-Held for Resale - Include in this goods held for resale rather than for use in operations. Inventories should be recorded only if material (significant) amounts of inventory items are on hand at fiscal year-end.
- (073-074) Other Inventories - Include in this inventory transactions not part of the major account group. Inventories should be recorded only if material (significant) amounts of inventory items are on hand at fiscal year-end.
- (075) Restricted Cash and Cash Equivalents - Include in this cash and cash equivalents whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- (076) Restricted Investments - Include in this investments whose use is subject to constraints that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- (077-079) Other Restricted Assets - Include in this any restricted assets not part of the major account group.
- (080) Land - Include in this real estate investment other than buildings and/or other improvements. All land, as herein defined, should be capitalized without regard to its size or value.

- (081) Construction in Progress - Include in this partially completed projects for the construction of an asset. The cost should not be capitalized until completed. In the interim, the cost should be recorded as an expenditure of the appropriate capital projects fund.
- (082) Buildings - Include in this all local government-owned buildings. Permanently installed fixtures to or within the buildings are to be considered a part of the buildings. The cost of major improvements to a building such as additions or renovations, should be capitalized and added to the value of the building.
- (083) Accumulated Depreciation - Buildings (Credit) - Include in this accumulation of periodic credits made to record the expiration of the estimated service life of buildings.
- (084) Improvements Other than Buildings - Include in this improvements to physical property of a permanent nature, such as park facilities and infrastructures.
- (085) Accumulated Depreciation - Improvements Other than Buildings (Credit) - Include in this accumulation of periodic credits to record the expiration of the estimated service life of improvements other than buildings.
- (086) Mobile Equipment - Include in this mobile equipment and machinery having a useful life that extends beyond one year.
- (087) Accumulated Depreciation - Mobile Equipment (credit) - Include in this accumulation of periodic credits made to record the expiration of the estimated service life of mobile equipment.
- (088) Other Furniture and Equipment - Include in this movable furniture and equipment purchased by the county and having a useful life that extends beyond one year.
- (089) Accumulated Depreciation - Other Furniture and Equipment (Credit) - Include in this accumulation of periodic credits made to record the expiration of the estimated service life of other furniture and equipment.
- (090) Leased Property Under Capital Leases - Include in this property being purchased under a lease-purchase agreement that has not been paid for in full.
- (091) Accumulated Depreciation - Leased Property Under Capital Leases (Credit) - Include in this accumulation of periodic credits made to record the expiration of the estimated service life of leased property under capital leases.
- (092-095) Infrastructure - Include in this tangible property that is normally both stationary in

nature and can be preserved for a significantly greater number of years than other types of tangible property (e.g., roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems).

- (092) Infrastructure - Roads - Include in this the cost to construct a new road or the cost of road expenditures that either extend the useful life of existing roads or their load capacity.
- (093) Accumulated Depreciation - Roads - Include in this the accumulation of systematic and rational allocations of the estimated cost of using roads, on a historical cost basis, over the useful lives of the roads. This account is not used for any networks or subsystems of roads that are reported using the modified approach.
- (094) Infrastructure - Bridges - Include in this the cost to construct a new bridge or the cost of bridge expenditures that either extend the useful lives of existing bridges or their load capacity.
- (095) Accumulated Depreciation - Bridges - Include in this the accumulation of systematic and rational allocations of the estimated cost of using bridges, on a historical cost basis, over the useful lives of the bridges. This account is not used for any networks or subsystems of bridges that are reported using the modified approach.
- (096-097) Other Capital Assets - Include in this capital assets not part of the major account group.
- (098-099) Accumulated Depreciation - Other Capital Assets - Include in this accumulation of periodic credits made to record the expiration of the estimated service life of other capital assets.

Liabilities, Equities and Other Credits

- (100) Claims Payable - Include in this unpaid obligations for which the preparation of a claim is a legal requirement before payment can be made (but not including amounts due to funds of the same government or to other governments).
- (101) Due to Primary Government - Include in this amounts owed by a discretely presented component unit to a primary government as a result of goods or services provided or loans made by the primary government.
- (102) Due to Component Unit - Include in this amounts owed by a primary government

to a discretely presented component unit as a result of goods or services provided or loans made by the discretely presented component unit.

- (103) Liabilities Payable from Restricted Assets - Include in this liabilities payable from restricted assets.
- (104) Net Wages Payable - Include in this amounts due to be paid for wages to employees (does not include withholdings).
- (105) Workmen's Compensation Payable - Include in this employees' workmen's compensation.
- (106) Garnishment Payable - Include in this garnisheed wages of employees.
- (107) Retainage Payable - Include in this amounts due on construction contracts. Such amounts represent a percentage of the total contract price that is not paid pending final inspection, the lapse of a specified time or both.
- (108-112) Undesignated
- (113-118) Due to Federal Government - Include in this amounts owed to the federal government or any agency thereof. This includes withholding for federal income tax held in agency funds and grant refunds.
- (113) Social Security (FICA) Payable
- (114) Federal Withholding Tax Payable
- (115-118) Other Due to Federal Government
- (119-147) Due to State Government - Include in this amounts owed to the state or any agency thereof. These accounts include amounts due to community colleges, soil and water conservation districts, the Cooperative Extension Service, and court assessments and fringe benefits due the state.
- (119) Due to State Government - State Withholding Tax
- (120) Due to State Government - State Retirement
- (121) Due to State Government - Deferred Compensation
- (122) Due to State Government - Traffic Violations

- (123) Due to State Government - Implied Consent Law Violations
 - (124) Due to State Government - Game and Fish Law Violations
 - (125) Due to State Government - Litter Law Violations
 - (126) Due to State Government - Other Misdemeanors
 - (127) Due to State Government - Other Felonies
 - (128) Due to State Government - Appearance Bond Fee Assessment
 - (129) Due to State Government - Court Constituents Assessment
 - (130) Due to State Government - Criminal Justice Fund Assessment
 - (131) Due to State Government - StateGame & Fish License Assessment
 - (132) Due to State Government - Court Education
 - (133) Due to State Government - Drug Abuse and Drivers License Reinstatement
 - (134) Due to State Government - Domestic Violence
 - (135) Due to State Government - Department of Public Safety Wireless Communication
System Assessment
-
- (136-147) Due to State Government - Other Due to State Government
 - (148) Due to Local Governments - Include in this amounts owed to other local units of governments. This account would include amounts due county schools, municipalities, hospitals, and libraries.
 - (149) Due to Governmental Funds - Include in this amounts loaned from governmental funds.
 - (150) Due to Proprietary Funds - Include in this amounts loaned from proprietary funds.
 - (151) Advances from Other Funds - Include in this noncurrent portions of a long-term debt owed by one fund to other funds of the same government. This includes only interfund loans not expected to be repaid within one year.
 - (152) Matured Bonds and Interest Payable - Include in this unpaid principal and interest

on bonds which have reached or passed their maturity date.

- (153) Accrued Interest Payable - Include in this interest accrued, but not due until a later date.
- (154-158) Deferred Revenue - Include in this resource inflows that do not yet meet the criteria for revenue recognition. Unearned amounts are always reported as deferred revenue. In governmental funds, earned amounts also are reported as deferred revenue until they are available to liquidate liabilities of the current period.
- (154) Deferred Revenue - Property Taxes - Include in this property taxes that are measurable but are not levied for and collectible in the current year because they are not available and collectible till the next succeeding year.
- (155) Deferred Revenue - Federal - Include in this federal revenues received in advance or transmitted before applicable eligibility requirements, including time requirements, are met.
- (156) Deferred Revenue - Garbage Fees - Include in this garbage fees collected in advance of services that have not yet been rendered or performed.
- (157-158) Deferred Revenue - Lease Principal Payable & Lease Interest Payable - Include in this the long-term portion of minimum lease principal and interest payments that are measurable but not earned.
- (159-160) Other Current Payables - Include in this liability transactions not part of the major account group.
- (161) Long-Term Debt Due Within One Year - Include in this the amount of all long-term debt due within one year.
- (162) Tax Anticipation Notes Payable (Non-Capital Debt) - Include in this the portion of unpaid balances of short-term loans made in anticipation of taxes that is due within one year.
- (163) Compensated Absences Payable (Non-Capital Debt) - Include in this amounts owed to employees for unpaid vacation leave liabilities that are due within one year.
- (164) Claims and Judgments Payable (Non-Capital Debt) - Include in this amounts owed as the result of administrative or court decisions, including workers' compensation, unemployment, improper arrest, property damage and

condemnation awards that are due within one year.

- (165) Road Equipment Notes Payable (Capital Debt) - Include in this the portion of unpaid balances of notes incurred in the acquisition of road working equipment that is due within one year.
- (166) Capital Leases Payable (Capital Debt) - Include in this the portion of obligations arising from the acquisition of property through capital leasing that is due within one year.
- (167) General Obligation Bonds Payable (Capital Debt) - Include in this the portion of the face value of all general obligation bonds issued for capital assets that is due within one year.
- (168) General Obligation Bonds Payable (Non-Capital Debt) - Include in this the portion of the face value of all general obligation bonds issued for purposes other than capital assets (e.g., hospital bonds) that is due within one year.
- (169) Limited Obligation Bonds Payable (Capital Debt) - Include in this the portion of the face value of all limited obligation bonds issued for capital assets that is due within one year.
- (170) Limited Obligation Bonds Payable (Non-Capital Debt) - Include in this the portion of the face value of all limited obligation bonds issued for purposes other than capital assets that is due within one year.
- (171) Revenue Bonds Payable (Non-Capital Debt) - Include in this the portion of the face value of all revenue bonds issued for purposes other than capital assets that is due within one year.
- (172-173) Other Long-term Liabilities (Capital Debt) - Include in this the portion of long-term liabilities for capital assets which cannot be classified within other liability classes in the chart of accounts that is due within one year.
- (174-175) Other Long-term Liabilities (Non-Capital Debt) - Include in this the portion of long-term liabilities for purposes other than capital assets which cannot be classified within other liability classes in the chart of accounts that is due within one year.
- (176) Long-term Debt Due in More Than One Year - Include in this the amount of all long-term debt due in more than one year.
- (177) Tax Anticipation Notes Payable (Non-Capital Debt) - Include in this the portion

of unpaid balances of short-term loans made in anticipation of taxes that are not due within one year.

- (178) Compensated Absences Payable (Non-Capital Debt) - Include in this amounts owed to employees for unpaid vacation leave liabilities that are not due within one year.
- (179) Claims and Judgments Payable (Non-Capital Debt) - Include in this amounts owed as the result of administrative or court decisions, including workers' compensation, unemployment, improper arrest, property damage and condemnation awards that are not due within one year.
- (180) Road Equipment Notes Payable (Capital Debt) - Include in this the portion of unpaid balances of notes incurred in the acquisition of road working equipment that is not due within one year.
- (181) Capital Leases Payable (Capital Debt) - Include in this the portion of obligations arising from the acquisition of property through capital leasing that is not due within one year.
- (182) General Obligation Bonds Payable (Capital Debt) - Include in this the portion of the face value of all general obligation bonds issued for capital assets, unmatured and unpaid, that is not due within one year.
- (183) General Obligation Bonds Payable (Non-Capital Debt) - Include in this the portion of the face value of all general obligation bonds issued for purposes other than capital assets, unmatured and unpaid, that is not due within one year.
- (184) Limited Obligation Bonds Payable (Capital Debt) - Include in this the portion of the face value of all limited obligation bonds issued for capital assets, unmatured and unpaid, that is not due within one year.
- (185) Limited Obligation Bonds Payable (Non-Capital Debt) - Include in this the portion of the face value of all limited obligation bonds issued for purposes other than capital assets, unmatured and unpaid, that is not due within one year.
- (186) Revenue Bonds Payable (Non-Capital Debt) - Include in this the portion of the face value of all revenue bonds issued for purposes other than capital assets, unmatured and unpaid, that is not due within one year.
- (187-188) Other Long-term Liabilities (Capital Debt) - Include in this the portion of long-term liabilities for capital assets which cannot be classified within other liability classes in the chart of accounts that is not due within one year.

- (189) Other Long-term Liabilities (Non-Capital Debt) - Include in this the portion of long-term liabilities for purposes other than capital assets which cannot be classified within other liability classes in the chart of accounts that is not due within one year.

Fund Balance and Other Credits

- (190-199) Fund Balance and Other Credits - This group includes the fund equity of Governmental Funds and other credits.
- (190) Fund Balance - Unreserved - This is the excess of assets of a Governmental Fund over its liabilities and fund balance reserved accounts.
- (191) Fund Balance - Reserved for Advances to Other Funds - Include in this the necessary portion of fund balance to indicate that long-term interfund receivables do not represent "available spendable resources" because they are not current assets.
- (192) Fund Balance - Reserved for Inventory - Include in this the necessary portion of fund balance to indicate that, using the purchases method, inventories do not represent "available spendable resources," even though they are a component of net current assets.
- (193) Fund Balance - Reserved for Non-Current Receivables - Include in this the necessary portion of the fund balance to indicate long-term receivables do not represent "available spendable resources" because they are not current assets.
- (194) Fund Balance - Reserved for Unemployment Compensation (2% Revolving Fund only) - Include the entire 2% revolving fund's fund balance to indicate that unemployment compensation funds are not "available spendable resources".
- (195-198) Other Reserved Fund Balances - Include in this reserved fund balances not part of the major account group.
- (199) Prior Period Adjustment - Include in this the effects of prior period errors on beginning of year fund balance or net assets. A written explanation should be retained by the county as documentation for the adjustment.

Revenues, Other Financing Sources and Other Items

- (200-209) Property Taxes - Include in this ad valorem taxes levied on the assessed valuation of property.

- (200) Realty/Personal - Include in this property taxes expressed in mills and computed as a percentage of the value of real and personal property.
- (201) Motor Vehicle - Include in this property taxes expressed in mills and computed as a percentage of the value of motor vehicles.
- (202) Mobile Home - Include in this property taxes expressed in mills and computed as a percentage of the value of mobile homes.
- (203) Prior Year Property Tax - Include in this taxes paid in the current year which should have been paid by the owner in a preceding year.
- (204) Land Redemption - Include in this revenue for property sold at the land sale for delinquent taxes.
- (205) Penalties and Interest on Delinquent Taxes - Include in this amounts charged as penalties for payment of taxes after the due date and the interest charged on delinquent taxes from the due date to the date of payment.
- (206) Mineral Lease - Include in this revenue from the purchase of documentary tax stamps for minerals situated in the county.
- (207-209) Other Taxes - Include in this taxes which cannot be classified in other accounts.
- (210) Road and Bridge Privilege Tax - Include in this highway privilege taxes for the use of the highways in this state including any damages collected.
- (211-229) Licenses, Commissions and Other Revenues - Include in this revenues derived from the issuance of local licenses and permits and other local revenues.
- (211) Local Privilege Licenses - Include in this revenue from fees for application of a local privilege/dealer's permit.
- (212) Chancery Clerk's Fees - Include in this court reporter/stenographer fees collected when a plea or answer is filed on probate or when a court reporter/stenographer serves.
- (213) Circuit Clerk's Fees - Include in this the following fees collected by the Circuit Clerk: (1) Court reporter/stenographer fee, collected when a plea or answer is filed on probate or when a court reporter/stenographer serves. (2) Jury tax imposed on each original suit in circuit court where a plea is filed or tried by a jury, transferred or appealed. (3) Marriage license fee charged for each marriage record prepared by the Circuit Clerk and forwarded to the State Board of Health, Section 41-57-

43, Mississippi Code Annotated (1972).

- (214) Tax Collector's Commissions and Fees - Include in this fees Tax Collectors deduct for their services in making tax collections and compensation on all privilege taxes not paid during the month due when a penalty is collected.
- (215) Sheriff's Fees - Include in this fees the Sheriff charges for serving of any process, summons, warrant, writ or other notice, taking bonds, etc.
- (216) Justice Court Clerk's Fees - Include in this fees collected in Justice Court including criminal, civil, jury, court reporter, etc., that are required to be settled to the county.
- (217) Printer/Publication Fees - Include in this fees collected from individuals whose land was advertised to sell for delinquent taxes.
- (218) Mailing Fees - Include in this fees charged by the Tax Assessor and/or Collector's office for postage and delivery.
- (219) Building Permits - Include in this charges for building ordinance permits.
- (220) Law Library Fees - Include in this fees assessed for the support and maintenance of the law library.
- (221) Mobile Home Registration Fees - Include in this fees collected by the Tax Collector for mobile home stickers.
- (222-229) Other Licenses, Commissions and Other Revenues - Include in this revenue that cannot be properly classified in the above accounts.
- (230-238) Fines and Forfeitures - Include in this revenue received from fines and penalties imposed for the commission of a statutory offense, violation of lawful administrative rules and regulations, and neglect of official duty. Forfeits include revenues resulting from confiscation of deposits or bonds held as performance guarantees.
- (230) Justice Court Fines
- (231) Chancery Court Fines
- (232) Circuit Court Fines
- (233) County Court Fines

- (234) Youth Court Fines
- (235) Litter Fines
- (236) Other Court Fines
- (237) Bond Forfeitures
- (238) Sale of Confiscated Property /Cash Forfeitures - Include in this proceeds of the sale of property confiscated by legal actions and other cash forfeitures such as seized cash.
- (239) Special Assessments - Include in this amounts levied against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.
- (240-319) Intergovernmental Revenue - Include in this revenue received from federal, state and other local government sources in the forms of grants, entitlements, shared revenue and payments in lieu of taxes.
- (240-255) Federal Grants - Include in this federal contributions of cash or expendable resources for a specific purpose or an allocation of revenues. Examples would be federal grants and entitlements. Federal grants may be passed down to the county from a state agency, such as a Community Development Block Grant passed down through the Office of Economic Development.
- (240-246) Federal Grants Restricted for Non-Capital or Operating Purposes
 - (240) Restricted for General Government
 - (241) Restricted for Public Safety
 - (242) Restricted for Public Works
 - (243) Restricted for Health and Welfare
 - (244) Restricted for Culture and Recreation
 - (245) Restricted for Conservation of Natural Resources
 - (246) Restricted for Economic Development
- (247-253) Federal Grants Restricted for Capital Purposes Only

- (247) Restricted for General Government
- (248) Restricted for Public Safety
- (249) Restricted for Public Works
- (250) Restricted for Health and Welfare
- (251) Restricted for Culture and Recreation
- (252) Restricted for Conservation of Natural Resources
- (253) Restricted for Economic Development
- (254-255) Federal Grants Restricted for Enterprise Funds
- (254) Restricted for Operating Purposes Only
- (255) Restricted for Capital Purposes Only
- (256-260) Undesignated
- (261-299) State Sources - Include in this revenue received from state government in the form of grants and revenue levied by state government and shared on a predetermined basis with local government. Federal revenue passed down from the State of MS is considered a federal source revenue (e.g., Community Development Block Grant funds passed down from the Office of Economic Development).
- (261) Reimbursement for Food Stamp/Welfare
- (262) Reimbursement for Homestead Exemption
- (263) Reimbursement for State Aid Roads
- (264) Reimbursement for Distribution of Commodities
- (265) Reimbursement for Emergency Management Funds (Civil Defense, Disasters)
- (266) Rental Car Tax
- (267) Rail Car Tax
- (268-274) Other State Grants - Restricted for Non-Capital or Operating Purposes

- (268) Restricted for General Government
- (269) Restricted for Public Safety
- (270) Restricted for Public Works
- (271) Restricted for Health and Welfare
- (272) Restricted for Culture and Recreation
- (273) Restricted for Conservation of Natural Resources
- (274) Restricted for Economic Development
- (275-281) Other State Grants - Restricted for Capital Purposes Only
- (275) Restricted for General Government
- (276) Restricted for Public Safety
- (277) Restricted for Public Works
- (278) Restricted for Health and Welfare
- (279) Restricted for Culture and Recreation
- (280) Restricted for Conservation and Natural Resources
- (281) Restricted for Economic Development
- (282) Motor Vehicle Fuel Tax (Gasoline Tax Distribution)
- (283) Motor Vehicle Licenses (Truck and Bus Privilege Tax Distribution)
- (284) Oil Severance
- (285) Gas Severance
- (286) Timber Severance
- (287) Salt Severance
- (288) Liquor Privilege Tax

- (288) Insurance Premium Tax Distribution
- (290) National Forest Distribution (State/Federal)
- (291) Federal and State Payments in Lieu of Tax
- (292) Grand Gulf Distribution
- (293) Gaming Revenues - Unrestricted (If restricted for operating and or capital purposes, then classify the revenue accordingly under objective account numbers 268-274 or 275-279.)
- (294-295) State Grants Restricted for Enterprise Funds
 - (294) Restricted for Operating Purposes Only
 - (295) Restricted for Capital Purposes Only
- (296-297) Other Unrestricted State Grants
- (298-299) Unrestricted Gifts and Donations
- (300-319) Local Grants and Other Local Sources - Include in this account revenue received from other local units of government in the form of grants or grants-in-aid. Included are transfers from other local governments. Also include in this account any other local source revenue that would not qualify as unrestricted gifts and donations (298-299).
- (300-305) Unrestricted Local Grants and Other Local Sources
- (306-312) Local Grants Restricted for Operating Purposes
- (313-319) Local Grants Restricted for Capital Purposes
- (320-329) Charges for Services - Include in this revenue from all charges for current services rendered by the county.
 - (320) Garbage Collection Fees - Include in this revenue derived from the collection of garbage.
 - (321) Reimbursement for Housing Federal, State and City Prisoners - Include in this reimbursements of expenses incurred in the upkeep of prisoners for other entities.

- (322) 911 Emergency Service Fees - Include in this revenues derived from telephone charges allocated from the 911 emergency line enhancement.
- (323) Premium Charges - Include in this premium charges for insurance reported in self-funded health risk internal service funds.
- (324-329) Other Charges for Services - Include in this charges for services not classifiable in the above accounts.
- (324) Restricted for General Government
- (325) Restricted for Public Safety
- (326) Restricted for Public Works
- (327) Restricted for Culture and Recreation
- (328) Restricted for Conservation and Natural Resources
- (329) Restricted for Economic Development
- (330) Interest Earnings - Include in this interest earned on investments, contracts and notes.
- (331-378) Miscellaneous Revenue - Include in this revenue which cannot be classified in any of the forgoing accounts.
- (331) Interest on Leases - Include in this interest earned on lease-purchases.
- (332) Rents - Include in this amounts received for use of public property and assets.
- (333) Royalties - Include in this amounts received as a percentage of proceeds for use of public property or other assets.
- (334) Oil and Mineral Leases - Include in this amounts received as payment for the right to explore public property for oil and minerals.
- (335) Gain on Sale of Capital Assets - Include in this any amounts received on the disposal of capital assets in excess of the net book value (cost less accumulated depreciation) of the asset sold or otherwise disposed of.
- (336) Sales Income - Include in this revenue from sale of personal property, scrap and other surplus property.

- (337) Copying and Reproduction - Include in this fees charged by the county for copying and reproduction.
- (338) Refund of Prior Year Expenditures - Include in this amounts received from a vendor as refund of an expenditure made in a prior year.
- (339) Judgments Recovered - Include in this amounts received for claims determined by legal judgment.
- (340) Refunds - Include in this refunds to the county from vendors.
- (341) Cancelled Warrants - Include in this outstanding checks or cancelled warrants.
- (342-378) Other Small Miscellaneous Revenues - Include in this revenues not classifiable in any other revenue account.
- (379) Contributions to Permanent Funds - Include in this contributions to term endowments, permanent endowments and permanent fund principal.
- (380-389) Other Financing Sources - Include in this available resources not considered revenue to the governmental entity.
- (380) Proceeds from Long-term Capital Debt - Include in this proceeds from the sale of long-term bonds and notes issued for capital purposes, where such proceeds are deposited into Governmental Funds and must be paid back to outside governments, corporations or individuals.
- (381) Proceeds from Long-term Non-Capital Debt - Include in this proceeds from the sale of long-term bonds and notes issued for non-capital (or operating) purposes, where such proceeds are deposited into Governmental Funds and must be paid back to outside governments, corporations or individuals.
- (382) Refunding Bonds Issued (Non-Capital Debt) - Include in this proceeds from the sale of refunding bonds issued for non-capital (or operating) purposes, where such proceeds are deposited into Governmental Funds and must be paid back to outside governments, corporations or individuals.
- (383) Proceeds from the Sale of Capital Assets - Include in this proceeds received from the sale of capital assets.
- (384) Premiums on Bonds Sold - Include in this amounts received from the sale of bonds in excess of the face value of the bonds. These premiums do not include accrued interest at the date of acquisition.

- (385) Compensation for Loss of Capital Assets - Include in this amounts received through insurance recoveries or claims determined by mutual consent as a result of loss of public property.
- (386) Undesignated.
- (387) Transfers in from Governmental Funds - Include in this transfers received from Governmental funds only.
- (388) Transfers in from Proprietary Funds - Include in this transfers received from proprietary funds only.
- (389) Undesignated
- (390-394) Special Items - Include in this items that are either unusual in nature or infrequent in occurrence and are subject to management's control. (i.e., a significant gain that results from a decision by management to sell all of its county park land.)
- (395-399) Extraordinary Items - Include in this items that are both unusual in nature and infrequent in occurrence but are not under the control of management. (i.e., an unexpected donation to the county from a private citizen or corporation.)

Expenditures/Expenses and Other Financing Uses

- (400-499) Personal Services - This group includes expenses for salaries, wages, statutory fees and related employee benefits provided persons elected or employed by the county. This does not include expenses for private contractors (architects, doctors, dentists, lawyers, consultants, etc.).
- (400) Officials - Include in this salaries of persons who are elected officials and exercise primary responsibility for the management of the department. Examples are Supervisors, Chancery Clerk, Tax Assessor and/or Collector, Circuit Clerk, Sheriff, and Judges.
- (401) Administrative/Managerial/Foreman - Include in this salaries of county employees with specialized knowledge or skills that may be acquired through experience or educational programs. This includes accountants, comptrollers, chief financial officers, county administrators, court administrators, office managers, electronic data processors, programmers, reappraisers, technical specialists or analysts, road foremen and justice court clerks. This usually includes heads of departments or individuals who serve in supervisory capacities.
- (402) Deputies - Include in this salaries of individuals appointed by an elected official to serve in the capacity of assistant to management. Examples are Sheriff, Tax Assessor, Tax Collector, Chancery Clerk, and Circuit Clerk Deputies.
- (403) Investigators/Detectives - Include in this salaries of individuals employed by law enforcement and courts.
- (404) Office/Clerical - Include in this salaries of individuals performing clerical and secretarial duties in offices or other locations in which one customarily finds clerical staff. This includes secretaries, typists and file clerks.
- (405) Attorneys - Include in this compensation for legal services provided the county by lawyers and attorneys. It shall include the board attorney, county attorney, public defender and county prosecutor.
- (406) Engineers - Include in this compensation for engineers appointed by the Board of Supervisors to administer the state aid road funds of the county and any other engineering salaries.
- (407) Accountants - Include in this compensation for accountants hired to aid the county in systems of accounting, recording and summarizing transactions.
- (408) Data Processing (EDP) - Include in this compensation for data processors hired to

aid the county in processing, storing, updating, combining, rearranging or printing of data by a computer.

- (409-410) Other Professional Salaries - Include in this professional salaries not classifiable in the above accounts.
- (411) Court Reporter and/or Stenographer - Include in this compensation for individuals who record and transcribe verbatim reports of all court proceedings.
- (412) Bailiff - Include in this compensation for individuals who guard the jurors and/or keep order in the court.
- (413-419) Other Court Salaries - Include in this court salaries not classifiable in the above accounts.
- (420-429) Road Employees - Include in this salaries of full or part-time employees of the Board of Supervisors who work in the road districts performing public work.
- (420) Road Employees
- (421) Road Laborers (Hourly Employees)
- (422) Drivers
- (423) Equipment Operators
- (424-429) Other Road Employees
- (430-439) Service Employees - Include in this salaries of employees assigned to activities requiring only a limited amount of previously acquired skills and knowledge.
- (430) Maintenance and/or Service Employees
- (431) Radio Operators and/or Dispatchers
- (432) Jailers and/or Guards
- (433) County Patrolmen
- (434) Emergency Medical Employees
- (435) Firemen

- (436-439) Other Service Employees
- (440-444) Other Salaries and Wages - Include in this salaries and wages not in the above classifications.
- (445) Statutory Fees - Include in this monies/compensation paid to elected officials as authorized by statutes.
- (446) Clerk of the Board (25-7-9) - Include in this fees paid semi-annually to the Chancery Clerk for services as Clerk of the Board of Supervisors.
- (447) Attending Board Meeting (25-7-9) - Include in this fees paid the Chancery Clerk on each day's attendance for the Board of Supervisors.
- (448) County Auditor (25-3-19) - Include in this fees paid monthly to the Chancery Clerk as county auditor.
- (449) County Treasurer (27-105-343) - Include in this fees paid annually to the Chancery Clerk for services as county treasurer.
- (450) Copying Tax Rolls (25-3-21) - Include in this fees paid the Chancery Clerk for making copies of assessment rolls.
- (451) Homestead Exemption Service (27-33-35) - Include in this fees paid the Chancery Clerk for homestead exemption service.
- (452) Recording Discharge (35-3-13) - Include in this fees paid the Chancery Clerk for recording discharges.
- (453) Public Services Not Otherwise Provided (25-7-9 and 25-7-13) - Include in this fees paid annually for public services to the Chancery Clerk and Circuit Clerk by order of the chancery/circuit court.
- (454) Attending Court (25-7-9 and 25-7-13) - Include in this fees paid to the Chancery and Circuit Clerks for attending any court (lunacy, chancery, youth, family, etc.).
- (455) County Registrar (23-15-225) - Include in this fees paid monthly to the Circuit Clerk as county registrar.
- (456) Undesignated
- (457) State Fail Cases (25-7-13) - Include in this fees paid the Circuit Clerk for state cases where the state fails in prosecution.

- (458) Vital Statistics (41-57-11 and 25-7-13) - Include in this fees paid the Circuit Clerk for reporting birth, death and marriage statistics.
- (459) Election Fees (23-15-225) - Include in this fees paid the Circuit Clerk for assisting election commissioners, executive committees or Board of Supervisors in connection with any election.
- (460-464) Other Fees - Include in this fee transactions not part of the major account group.
- (465) State Retirement Matching - Include in this the county's portion of the contribution to the state public employees' retirement system.
- (466) Social Security Matching - Include in this the county's matching contribution for FICA taxes.
- (467) Workmen's Compensation - Include in this the cost of workmen's compensation insurance for on-the-job injuries of county employees.
- (468) Group Insurance - Include in this the county's portion of group insurance paid for employees.
- (469) Unemployment Insurance - Include in this the county's payment of unemployment tax to the state.
- (470-474) Other Fringe Benefits - Include in this fringe benefit transactions not part of the major account group.
- (475) Travel and Subsistence In-State and Out-of-State - Include in this travel reimbursement to county employees and officials including education and training, conventions and meetings, travel for industrial promotion, academic training and transportation of individuals for official employee business travel.
- (476) Meals and Lodging (Subsistence) - Include in this meal and lodging costs (hotel, motel, etc.) in accordance with county policy for reimbursement. *Per diem* allowance for meals and lodging is included here.
- (477) Travel in Private Vehicle - Include in this travel in an employee-owned vehicle at the currently approved mileage rate.
- (478) Travel in Rented Vehicle - Include in this daily car rental from outside companies.
- (479) Travel in Public Carrier - Include in this air, bus and train travel.

- (480-485) Other Travel Costs - Include in this incidental expenses such as separate tips, telephone, taxi, tolls, registration fees and parking. Note: If meals are part of the registration and shown as a separate charge, they are charged to the meals and lodging account.
- (486-499) Other Personal Services - Include in this personal services not part of the major account group.
- (500-599) Contractual Services - Include in this payments for the supply of certain goods or services at a predetermined price.
- (500) Communications - Include in this the cost of certain communications, including cablegrams, radiograms and data communication.
- (501) Postage and Box Rent - Include in this the cost of postage and post office box rent.
- (502) Telephone Service - Include in this the cost of local and long-distance telephones, monthly charges and WATS lines.
- (503-509) Other Communications - Include in this communications expense not part of the major account group.
- (510) Utilities - Include in this heat, light, power, natural gas, fuel oil, water and sewer expenses for public buildings and facilities.
- (511-519) Other Utilities - Include in this the cost of utilities not properly classifiable under the major account groups.
- (520) Advertising and Contractual Printing - Include in this the cost of general county advertising, classified advertising and required advertising for publishing bids for purchases. This includes the purchase of contracted printing, mimeographing, photostating and blueprinting, photography and photocopying. Do not include the purchase of supplies such as mimeograph paper and photocopy supplies, nor the purchase of printed forms. These items should be charged to accounts 600-609 (Office Materials and Supplies) or to account 610-629 (Professional Supplies and Materials).
- (521) Legal Advertising - Include in this the cost of bids, publication notices, and classified advertising.
- (522) Advertising County Resources - Include in this legal advertising made by the local government as allowed by statute.

- (523-529) Other Advertising and Contractual Printing - Include in this advertising and contractual printing not classifiable in the above accounts.
- (530-539) Rentals - Include in this payments for rentals of real property, EDP and computer equipment, computer usage charges, other equipment and service and maintenance contracts.
- (530) Rental of Real Property - Include in this cost of use of space not county owned. Included here are land, buildings and floor space.
- (531) Rental of EDP and Computer Equipment and Computer Usage - Include in this rental of computer and computer-related equipment, including payments on lease-purchase equipment not capitalized. Examples are computer hardware, terminals, word processing equipment and computer control equipment. "Computer usage" includes charges to the county for computer services provided by a computer center.
- (532) Rental of Road Equipment - Include in this rental of heavy construction equipment and all road equipment, including lease-purchase equipment not capitalized. Examples are road graders, backhoes, dump trucks, tractors, bulldozers and packers.
- (533) Rental of Other Equipment - Include in this cost of acquisition of equipment other than those listed above. Examples are reproduction equipment, office equipment, typewriters and postage meters.
- (534-539) Other Rentals - Include in this rentals for items not classified in the above accounts.
- (540) Buildings - Include in this cleaning, painting and repairs to public buildings, replacement of worn-out heating and air conditioning equipment, landscaping, gardening and grass mowing on grounds surrounding public buildings and other improvements to realty by outside persons.
- (541) Road Machinery and Equipment - Include in this repairs by outside persons to mechanical equipment such as heavy construction equipment and all road machinery equipment.
- (542) Vehicles (Cars and Trucks) - Include in this repairs by outside persons to automotive equipment.
- (543) Office Furniture and Equipment - Include in this repairs by outside persons to office furniture and equipment not under service contract.

- (544) Service and Maintenance Contract - Include in this the cost of contracts, covering specific periods of time, for maintenance of owned or otherwise controlled equipment.
- (545) Repairs to Roads and Bridges (non-capital outlay expenditures) - Include in this the cost of contracts, covering specific periods of time, for repairs to roads and bridges.
- (546-549) Other Repairs and Maintenance - Include in this the cost of repairs and maintenance performed on property owned and controlled by the unit, not properly chargeable to any other object of expenditure.
- (550-569) Professional Fees and Other Services - Include in this professional fees such as legal fees, auditing fees, medical fees, consultant fees, EDP, and engineering fees.
- (550) Legal Fees - Include in this fees paid to attorneys for lawsuits, commitment hearings, validation of bonds, and court-appointed attorneys.
- (551) Auditing Fees - Include in this the cost of auditing fees to outside independent auditors and to the Office of the State Auditor. Other incidental costs of the audit may be charged here, such as supplies, telephone, postage and printing charges directly related to the audit.
- (552) Medical Fees - Include in this direct payments to others for medical services, including inquests and autopsies performed by a physician.
- (553) Computer Services (EDP), Data Processing Fees - Include in this costs paid to others for computer services (EDP), and/or data processing performed for the benefit of the county.
- (554) Consultant Fees - Include in this costs paid to consultants and other non-employees of the county for services and professional advice as provided by statute. Examples would be appraisal and mapping.
- (555) Engineering Fees - Include in this fees paid to individuals for professional engineering services.
- (556-569) Other Professional Fees and Services - Include in this fees paid to individuals not included in the above classifications.
- (570-599) Other Contractual Services - Include in this the cost of contractual services not otherwise classified.

- (570) Insurance and Fidelity - Include in this the costs of casualty and liability insurance and fidelity bond coverage. Examples are property and general liability, vehicles and fidelity.
- (571) Dues and Subscriptions - Include in this memberships in professional societies for governmental officials and subscriptions to technical publications.
- (572) Election Commissioners' Fees - Include in this fees paid to Election Commissioners for revising the voter registration books and other statutory duties.
- (573) Election Workers' Fees - Include in this fees paid to election managers, bailiffs and workers.
- (574) Undesignated
- (575) Juror and Witness Fees - Include in this fees and statutory travel paid to jurors and witnesses for duties performed in the court system.
- (576) Room and Board for Jurors - Include in this payments to outside persons for feeding jurors and for room and board during sequester in the court system.
- (577) Bailiffs' Fees - Include in this fees paid to bailiffs for duties performed in the court system.
- (578) Allowance for Lost Cost (Constable) - Include in this costs for serving warrants and other processes and attending trials in the county.
- (579) Feeding of Prisoners - Include in this expenditures made to outside persons for feeding prisoners.
- (580) Mosquito and Pest Control - Include in this expenditures to outside persons for control of communicable diseases and pest control.
- (581-599) Other Contractual Services - Include in this other contractual services such as freight (unless capitalized and added to the cost of capital projects), express, deliveries, cleaning services, laundry and buy money.
- (600-699) Consumable Supplies and Materials - Include in this commodities consumed in operations within a relatively short period or the use of which results in a material change or an appreciable impairment of their physical condition. It also includes all articles or substances in a natural, prefabricated or manufactured state either used for current operating purposes or processed in the construction or manufacture of articles.

- (600) Record Books, Binders and Dockets - Include in this record books, binders and dockets.
- (601) Law Library Material - Include in this purchases of law books and material for the law library.
- (602) Duplication and Reproduction - Include in this paper, toner and other supplies used in copy machines.
- (603) Office Supplies and Materials - Include in this office supplies and materials such as pens, paper, pencils, adding machine tapes, staples, paper clips, in-out trays, ribbon, desk calendars, rulers, tape dispensers, accounting pads, file folders, receipt books and maps used in the normal course of business.
- (604) Mineral Stamps - Include in this purchases of documentary tax stamps from the State Tax Commission.
- (605) Mobile Home Registrations - Include in this purchases of mobile home registrations (stickers/labels and receipts) from the State Tax Commission.
- (606-609) Other Office Supplies and Materials - Include in this office supplies not classified in the above account groups.
- (610-629) Professional Supplies and Materials - Include in this supplies used by professionals purchased by the county for benefit of the local entity.
- (610) Professional Supplies - Include in this supplies used by professionals for benefit of the county.
- (611) Mapping and Reappraisal - Include in this supplies used by appraisers in valuation of property of the county.
- (612) Engineering - Include in this supplies used by county engineers and designers.
- (613) Law Enforcement - Include in this professional law enforcement supplies.
- (614) Photographic and Reproduction Supplies - Include in this film, developers, photographic paper and other photo materials. This does not include copy paper or copy machine supplies.
- (615-629) Other Professional Supplies - Include in this professional supplies and material not in the above classifications.

- (630) Land Improvement Supplies - Include in this aggregates, asphalt, cement, gravel or shell, joint fillers, culverts, curbing and so forth used in repairing or replacing roads, bridges, sidewalks and parking lots, if not capitalized as infrastructure.
- (631) Gravel or Shell
- (632) Asphalt
- (633) Concrete
- (634) Culverts
- (635) Topping and Fill Dirt
- (636) Bridge Lumber
- (637) Bridge Piling
- (638) Pre-cast Bridges
- (639) Signs
- (640) Fencing
- (641) Building Repairs and Supplies - Include in this lumber, caulking, steel, fabricated metal parts, flooring, ceiling tiles, plaster, lime and other materials used in repairing or renovating buildings.
- (642) Paints and Preservatives - Include in this interior and exterior paints, wood preservatives and road striping materials used for remodeling or maintenance.
- (643) Hardware, Plumbing and Electrical Supplies - Include in this hardware, plumbing parts or accessories, and electrical wire or parts, including lights, used in maintaining or renovating buildings.
- (644) Small Tools - Include in this small tools used in county operation. Individual items must cost less than the capital outlay minimum.
- (645) Custodial Supplies and Cleaning Agents - Include in this expendable custodial supplies such as cloths, brooms, cleaning compounds, mops and pails.
- (646-669) Other Maintenance Supplies and Materials - Include in this maintenance supplies and materials not classified in the above accounts.

- (670-679) Petroleum Products - Include in this vehicle fuels (gasoline, diesel fuel, liquified gas), lubricating oils and grease, antifreeze and starter fluid.
- (670) Undesignated
- (671) Gasoline
- (672) Diesel Fuel
- (673) Liquified Gas (Propane, Butane, etc.)
- (674) Lubricating Oils and Grease
- (675) Antifreeze, Starter Fluid, etc.
- (676-679) Other Petroleum Products
- (680) Tires and Tubes - Include in this purchases of tires and tubes for county vehicles.
- (681) Repair and Replacement Parts - Include in this purchases of vehicle and machinery repair and replacement parts and supplies used by county employees for the repair of the county vehicles and equipment.
- (682-689) Other Machinery Repair Parts - Include in this machinery repair parts not classified in above accounts.
- (690) Electronic Supplies and Repair Parts - Include in this radio, television, computer (EDP) and electronic supplies and parts used to maintain existing equipment of this nature and related operating supplies.
- (691) Uniforms - Include in this purchases of uniforms and rainwear for sheriffs, deputies, bailiffs, school crossing guards, county patrolmen and other law enforcement personnel.
- (692) Clothes and Dry Goods for Prisoners - Include in this clothing and dry goods purchased for prisoners.
- (693) Food for Jurors - Include in this food and provisions for jurors necessary for the performance of their duties.
- (694) Food for Prisoners - Include in this food purchased for feeding of prisoners. (If the county provides this service in-house, it will be posted to this account.)

- (695-699) Other Consumable Supplies and Materials - Include in this cost of supplies and materials not in above classifications. Included here are animal feed, seed and plants, fertilizer and chemicals, pest control supplies, drugs and medicine, ice and livestock program supplies.
- (700-799) Grants, Subsidies and Allocations - This group includes expenditures of monies appropriated for aid to any other governmental entity. It includes allocations of resources for designated programs allowed by statutes.
- (700) Assistance to Individuals - Include in this allocations to assist the welfare and well-being of county residents and individuals.
- (701-749) Grants to Other Governmental Agencies - Include in this grants to other governmental agencies, as allowed by statute. Examples are transfer of severance tax, property tax, homestead exemption payments, and Tennessee Valley Authority payments in lieu of tax.
- (750-799) Grants and Subsidies to Other Organizations - Include in this amounts transferred to other entities, including contributions and donations allowed by statutes.
- (800-899) Debt Service - This group includes interest and principal payments on general long-term debt.
- (800) Principal Retirement - Capital Debt - Include in this expenditures for periodic principal maturities of capital debt.
- (801) Principal Retirement - Non-capital Debt - Include in this expenditures for periodic principal maturities on non-capital debt.
- (802) Interest - Include in this periodic interest payments on all debt.
- (803) Fiscal Agents' Fees - Include in this payments made to financial institutions for services rendered in paying interest and redeeming debt at maturity.
- (804) Bond Issue Costs - Include in this payments to bond underwriters, legal fees and other costs associated with bond issuance.
- (805-899) Other Debt Service - Include in this expenditures which cannot be properly allocated to the foregoing functions and activities.
- (900-923) Capital Outlay - This group includes outlays which result in the acquisition and/or additions to capital assets. They should be classified under one of the following:

- (900) Land - Include in this the cost of land purchased.
- (901) Buildings (Cost less than \$50,000) - Include in this the cost of permanent structures purchased or constructed for less than \$50,000.
- (902) Buildings (Cost of \$50,000 and above) - Include in this the cost of permanent structures purchased or constructed for \$50,000 and above.
- (903-910) Improvements Other Than Buildings - Include in this the cost of capital improvements to assets other than buildings or equipment. Included in this classification are infrastructure assets.
- (903) Parking Lots and Sidewalks (Cost less than \$50,000) - Include in this expenditures for construction of parking facilities, sidewalks, steps and stairs with a total cost less than \$25,000.
- (904) Parking Lots and Sidewalks (Cost of \$25,000 and above) - Include in this expenditures for construction of parking facilities, sidewalks, steps and stairs with a total cost of \$25,000 and above
- (905) Lighting (Cost less than \$25,000) - Include in this expenditures for lighting fixtures and equipment with a total cost less than \$25,000.
- (906) Lighting (Cost of \$25,000 and above) - Include in this expenditures for lighting fixtures and equipment with a total cost of \$25,000 and above.
- (907-908) Other Improvements (Cost less than \$25,000) - Include in this capital improvements to fixed assets other than buildings or equipment with a total cost less than \$25,000.
- (909-910) Other Improvements (Cost of \$25,000 and above) - Include in this capital improvements to fixed assets other than buildings or equipment with a total cost of \$25,000 and above.
- (911) Construction in Progress - Include in this construction undertaken, but not yet completed.
- (912-914) Infrastructure - Include in this tangible property that is normally both stationary in nature and can be preserved for a significantly greater number of years than other types of tangible property (e.g., roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems).
- (912) Roads - Include in this expenditures for the construction of road surfaces, curbs

and gutters on roads paved with concrete, asphalt, brick, stone or shell.

- (913) Bridges - Include in this expenditures for the construction of bridges and viaducts constructed by the government.
- (914) Dams and Spillways - Include in this expenditures for the construction of dams and spillways constructed by the government.
- (915-920) Machinery and Equipment - Include in this tangible property of a more or less permanent nature, other than lands, buildings and improvements thereon.
- (915-918) Mobile Equipment - Include in this purchases of motorized equipment which is designed to transport groups of people, things or road equipment and machinery.
- (915) Vehicles - Include in this purchases of automobiles, trucks and station wagons.
- (916) Road Equipment and Machinery - Include in this purchases of road equipment and machinery.
- (917) Other Mobile Equipment (Cost less than \$5,000) - Include in this purchases of mobile equipment with a cost less than \$5,000 not classified in above accounts.
- (918) Other Mobile Equipment (Cost of \$5,000 and above) - Include in this purchases of mobile equipment with a cost of \$5,000 and above not classified in above accounts.
- (919) Furniture and Office Equipment (Cost less than \$5,000) - Include in this purchases of furniture and fixtures and office equipment suitable for general office use with a cost less than \$5,000. Examples of furniture and fixtures include desks, chairs, tables, and benches. Examples of office equipment include typewriters, dictating and transcription equipment, adding machines, filing equipment, photocopy machines, mimeo and duplicating machines, tape recorders, refrigerators, stoves, televisions, and window air conditioners.
- (920) Furniture and Office Equipment (Cost of \$5,000 and above) - Include in this purchases of furniture and fixtures and office equipment suitable for general office use with a cost of \$5,000 and above. Examples of furniture and fixtures include desks, chairs, tables, and benches. Examples of office equipment include typewriters, dictating and transcription equipment, adding machines, filing equipment, photocopy machines, mimeo and duplicating machines, and tape recorders, refrigerators, stoves, televisions and window air conditioners.
- (921-922) Undesignated (not used)

- (923) Non-Capitalized Property (Under Legal Compliance Threshold of \$500: Not Including Exceptions) - Include in this expenditures for the purchase of property by the county for which fixed asset accountability is not required nor elected.
- (924-939) Undesignated
- (940) Depreciation Expense - Include in this the annual expense for asset use during the period. This is simply a means of spreading costs over the asset's useful life.
- (941) Loss on Sale of Capital Assets - Include in this the net book value of the asset (net book value = cost less accumulated depreciation) in excess of any amounts received on the disposal of the capital asset.
- (942) Bad Debt Expense - An expense charged against the operations of an enterprise fund due to uncollectible accounts receivables deemed worthless by management.
- (943) Operating Costs Capitalized - This account is for recording the capitalized cost of certain operating costs expended in constructing or significantly reconstructing infrastructure, such as a road or a bridge. For example, when the county uses its own labor and equipment to build a new road, the pro-rata portion of the labor and equipment costs that was used is recorded as a credit expenditure adjustment to this account at the end of the year, thus reducing public works expenditures for those operating costs capitalized as part of infrastructure.
- (944) Payments in Accordance with Trust Agreements: This type of expense is made only from private-purpose trust funds and concerns payments made to beneficiaries or other third parties in accordance with established trust agreements or by a court order.
- (945-950) Nonoperating Expenses - Non-operating expenses can occur only in proprietary funds and, by definition, do not qualify as operating expenses because they are not incurred or paid for the purpose of generating operating income. Two examples are fines paid another government and payments made in lieu of taxes.
- (951-954) Other Financing Uses - Include in this financial outflows classified separately from expenditures.
- (951) Transfers Out to Governmental Funds - Include in this transfers made to governmental funds only.
- (952) Transfers Out to Proprietary Funds - Include in this transfers made to proprietary funds only.

- (953) Payments to Refunded Bond Escrow Agent - Include in this payments to an escrow agent from advance refunding debt proceeds that are to be placed in irrevocable trust.
- (954) Discount on Bonds Issued - Include in this the excess of the face value of bonds over the amount received from their sale (excluding accrued interest and issuance costs).
- (955-959) Undesignated
- (960-979) Special Items - Include in this items that are either unusual in nature or infrequent in occurrence and are subject to management's control. (i.e., a significant loss that results from a decision by management to sell all of its county park land.)
- (980-999) Extraordinary Items - Include in this items that are both unusual in nature and infrequent in occurrence but are not under the control of management. (i.e., significant costs incurred due to a natural disaster such as a tornado, hurricane, flood, earthquake, etc.)

SECTION D

FINANCIAL REPORTING

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INTRODUCTION

This section explains the new financial reporting requirements of Statement No. 34 issued by the Governmental Accounting Standards Board (GASB). Statement No. 34 establishes a new financial reporting model—that is, a new set of *basic financial statements* for state and local governments. All county governments will implement the financial reporting provisions of Statement No. 34 beginning with fiscal year October 1, 2002 ending September 30, 2003.

We encourage county governments to begin learning how to prepare their own financial statements. To achieve a minimum level of competency required for financial statement preparation, county personnel will be expected to attend on-going training workshops that will be provided by the Office of the State Auditor. During the training interim, we will also compile financial statements for county governments that demonstrate a continuing need for those services.

County governments are not expected to prepare a complete and perfect set of financial statements that never requires adjustments. Rather, some auditor adjustments are expected, especially during the first few years of learning preparation. However, a county government must keep reasonably accurate and auditable financial records in order to obtain an unqualified (“good”) opinion on its financial statements. Sufficient competent evidential matter must be available for an auditor to apply necessary audit procedures and recommend to management any necessary adjustments to the financial statements.

County governments may continue to keep their records on a cash basis and record transactions as usual in individual funds during the year. All necessary accruals and adjustments will be made at year end to generate the newly required basic financial statements.

FINANCIAL REPORTING REQUIREMENTS

OVERVIEW

1. What are the basic requirements of the new financial reporting model?

The new financial reporting model requires governments to present certain basic financial statements as well as management's discussion and analysis (MD&A) and certain other required supplementary information (RSI).

The basic financial statements include (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements.

- The government-wide financial statements report information for the government as a whole, except for its fiduciary activities. These financial statements use the economic resources/accrual measurement focus basis of accounting (MFBA) and include transactions and balances relating to all assets, including infrastructure capital assets.
- Following the government-wide financial statements are fund financial statements for a government's governmental, proprietary, and fiduciary funds. These financial statements use different MFBA's depending on the fund category: Governmental funds use the current financial resources/modified accrual MFBA; proprietary funds use the economic resources/accrual MFBA; and fiduciary funds generally use the economic resources/accrual MFBA.
- The notes to the financial statements disclose information essential for the fair presentation of the basic financial statements that is not displayed in the financial statements. The notes are an integral part of the basic financial statements.

MD&A is RSI that precedes and introduces the basic financial statements. Other RSI, presented immediately following the notes to the financial statements, is budgetary comparison schedules for certain governmental funds.

2. When are county governments required to implement Statement No. 34?

The requirements of Statement No. 34 are effective in three phases based on a county government's total annual revenues reported in its governmental and enterprise funds for the fiscal year ending September 30, 1999.

<i>Phase</i>	<i>Revenue Threshold</i>	<i>Implementation Period</i>
1	\$100 million or more	FY 2001 - 2002
2	\$10 million < \$100 million	FY 2002 - 2003
3	< \$10 million	FY 2003 - 2004

Approximately half of county governments are required to implement the Statement in phase 2; the other half in phase 3. However, except for the transition provisions for applying the Statement's requirements to prior general infrastructure assets, all county governments will be expected to implement the general provisions of Statement No. 34 in phase 2 for the fiscal year: October 1, 2002 ending September 30, 2003.

DETAILED DISCUSSION

Management's Discussion and Analysis (MD&A)

3. What information is presented in MD&A?

MD&A gives an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions. It presents short- and long-term analyses of the government's activities, compares current-year results with those of the prior year, and discusses the positive and negative aspects of that comparison. Management is expected to write (using auditor assistance, if necessary) this important introductory section to the basic financial statements. The presentation requirements for MD&A include—

- A brief discussion of the basic financial statements, including how they relate to each other and the significant differences in the information they provide.
- Condensed current- and prior-year financial information from the government-wide financial statements with a comparative analysis that discusses reasons for significant inter-period changes and economic factors that significantly affected current-year operations.

- An analysis of individual fund financial information, including the reasons for significant changes in fund balances (or net assets) and whether limitations significantly affect the future of fund resources.
- An analysis of significant variances between original and final budget amounts and between final budget amounts and actual budget results for the general fund.
- A description of capital asset and long-term debt activity that occurred during the year.
- A description of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position (net assets) or results of operations (revenues, expenses, and other changes in net assets).

Government-wide Financial Statements

Overview

4. What are the required government-wide financial statements, and what are the basic features of those statements?

The government-wide financial statements are (1) a statement of net assets and (2) a statement of activities. The government-wide financial statements—

- Present highly aggregated information for the overall government; they do not display individual funds or fund types.
- Do not include activities reported in fiduciary funds. Those activities are reported only in the fiduciary fund financial statements.
- Present financial information in separate rows and columns for the (1) the government's governmental activities and (2) the government's business-type activities.

Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues and usually are reported in governmental and internal service funds. Business-type activities are financed wholly or partially by fees charged to external parties for goods or services and usually are reported in enterprise funds.

5. What is the MFBA of the government-wide financial statements?

The government-wide financial statements report all financial and capital assets (including infrastructure assets), short- and long-term liabilities, revenues, expenses, gains, and losses using the economic resources/accrual MFBA.

Capital Assets

6. What are capital assets, and how are they reported in the government-wide financial statements?

Capital assets are tangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. They include land and improvements, buildings and improvements, and furniture and equipment. Capital assets also include infrastructure assets—normally stationary capital assets that can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets include roads, bridges, and tunnels; water, sewer, and drainage systems; dams; and lighting systems.

Capital assets are reported in the statement of net assets at historical or estimated historical cost (or estimated fair value, if donated).

Capital assets are depreciated in the statement of activities over their estimated useful lives. The straight-line method of depreciation will be used to calculate depreciation for all classes of capital assets. Additionally, infrastructure assets will be depreciated using the composite method of depreciation, a highly recommended straight-line approach for calculating depreciation when a large group of similar or dissimilar assets are being depreciated.

Depreciable capital assets are reported net of accumulated depreciation in the statement of net assets.

7. What are the effective date and transition provisions for applying Statement No. 34's requirements to general infrastructure assets?

Prospective reporting of major infrastructure assets is required beginning at the effective dates of the Statement. Retroactive reporting of all major infrastructure assets that were constructed or significantly reconstructed in fiscal years ending after September 30, 1980 is encouraged as of the effective dates of the Statement.

Phase 2 county governments are required to retroactively report major infrastructure assets four years after the effective date of implementation which is no later than fiscal year: October 1, 2006 ending September 30, 2007. Phase 3 county governments are encouraged but not required to report major infrastructure assets retroactively.

The transition provisions discussed above do not apply to the infrastructure assets of proprietary funds. Those funds previously have been required to report infrastructure assets, and they apply the infrastructure provisions of Statement No. 34 when they otherwise implement the Statement.

Statement of Net Assets

8. What is the purpose of the government-wide statement of net assets, and what are the format requirements?

The purpose of the statement of net assets is to provide information about the financial position of the government as an economic unit. The statement shows what the government owns and owes at a point in time—September 30, the last day of the fiscal year.

The statement reports all assets of the government, both financial and capital assets, and all liabilities of the government, both current and long-term obligations.

The statement presents financial information in a net assets format (assets less liabilities equal net assets), and financial information is presented in two separate activity columns—a governmental activities column and a business-type activities column.

- Governmental activities column: includes all financial assets of the governmental funds and internal service funds and all accrued liabilities of the governmental funds and internal service funds. It also includes all capital assets purchased or constructed by governmental funds and internal service funds and all long-term debt obligations repaid by governmental funds and internal service funds.
- Business-type activities column: includes all assets (both financial and capital) of the enterprise funds and all liabilities (both current and long-term) of enterprise funds.

9. How are the net assets displayed, and how are the components of net assets defined?

Net assets are displayed in three components: (1) “invested in capital assets, net of related debt,” (2) “restricted,” and (3) “unrestricted.”

- *Invested in capital asset, net of related debt.* This component consists of capital assets reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct or improve those assets. This component does not include the portion of any debt with significant unspent proceeds at year end. Instead, that debt is placed in the net assets component that includes the unspent proceeds, for example, restricted for capital projects.

- *Restricted net assets.* This component is reported when limitations on the use of net assets are imposed by creditors, grantors, contributors, laws of the government (MS Code) and laws or regulations of other governments. Two examples of restrictions are (1) the unexpended use a federal grant restricted for capital projects and (2) the unexpended net assets of a debt service tax levy fund restricted for debt service. If restricted net assets include amounts related to permanent fund principal, the *expendable* and *nonexpendable* components of such amounts must be reported separately.
- *Unrestricted net assets.* This component consists of all net assets that do not meet the definition of either of the other two components. Any outstanding *non-capital* debt (that is, restricted for operating purposes only) reduces this component.

Statement of Activities

10. What is the focus and purpose of the government-wide statement of activities, and what are the format requirements?

The statement of activities focuses on the net cost of services (functional or programmatic expenses less program revenues) and the extent to which each function/program reported by the government is financed with general revenues, principally taxes. The objective is not to identify which functions make money and which ones lose money, but rather to report the relative financial burden of each of the government's functions/programs on its taxpayers.

The statement reports expenses, net of program revenues, of the government's individual functions. General revenues, contributions to permanent fund principal, special and extraordinary items, and transfers are reported separately after the total net expenses of the functions, resulting in the "change in net assets" for the period.

The ultimate purpose of the statement of net assets is to report on the results of the government's operations (that is, its change in net assets) for the period. The change in net assets shows the increase or decrease from year to year in the net assets of the whole government—it is the sum total of revenues, expenses, gains, and losses reported in the statement of activities. A positive change in net assets for the year shows the government lived within its means. Conversely, a negative change shows the government did not live within its means.

11. What are the presentation requirements for expenses in the statement of activities?

All expenses for both governmental activities and business-type activities are reported by function except those that are special or extraordinary items. Each function, at a minimum, reports direct expenses—those specifically associated with a service, program, or department and therefore clearly identifiable to a particular function.

Any expense that is not a direct expense is an indirect expense. Indirect expenses need not be allocated among all the functions. Instead, indirect expenses can be reported with the direct expenses of a “general” function, such as general government. If indirect expenses are allocated, a column showing those allocations is presented in the statement of activities.

12. How are losses on disposals of capital assets reported in the statement of activities?

Losses on disposals of capital assets are always reported as direct expenses of the general government function.

13. How is depreciation expense reported in the statement of activities?

Depreciation expense on capital assets, including infrastructure assets, for both governmental activities and business-type activities is reported in a function’s direct expenses if the depreciation is specifically identified with the function. For example, a motor grader purchased for use in the public works department would be depreciated in that department.

If a capital asset is *shared* by more than one function, the depreciation expense is prorated (based on square footage) among the functions as a direct expense. An example of a shared asset is a building that houses both a jail complex and a health and welfare office.

Depreciation expense for capital assets that serve essentially all functions (such as a multipurpose building) need not be included in the direct expenses of the various functions. Instead, it may be included as part of a “general” function, such as general government.

14. How is interest on general long-term liabilities reported in the statement of activities?

Generally, interest on general long-term liabilities is reported as a separate line item rather than included in the direct expenses of any function. There are limited instances when interest on general long-term liabilities is included in direct expenses. These involve situations when borrowing is needed to create or continue a program, and it would be misleading to exclude the interest from the program’s direct expenses.

15. What are the different types of revenues, and how are they reported in the statement of activities?

In the statement of activities, revenues are classified as program or general. Program revenues (1) originate from the program or from parties other than the government’s taxpayers or citizens as a whole and (2) reduce the expenses of the function to be financed by general revenues. Three categories of program revenues that are separately reported in the statement are: (1) charges for services, (2) program-specific operating grants and contributions, and (3) program-specific capital grants and contributions. These categories are defined as follows:

- *Charges for services*: are derived from exchange or exchange-like transactions with external parties that purchase, use, or directly benefit from the program's goods or services. Some examples include court fees and fines, sheriff fees, local privilege licenses, and state reimbursements for housing prisoners.
- *Operating grants and contributions*: those grants and contributions that are restricted for operating purposes in a particular function or program. Some examples include federal grants, state aid road funds, motor vehicle fuel taxes, and insurance premium tax distributions.
- *Capital grants and contributions*: those grants and contributions restricted only for capital use in a particular function or program. An example is a community development block grant used to construct a multi-purpose building.

All other revenues are general revenues, including all taxes, even if levied for a specific purpose. Taxes are reported by type of tax (e.g., ad valorem taxes and road and bridge privilege taxes). Other examples of general revenues typically include unrestricted grants and contributions, such as homestead exemption reimbursements, interest earnings, and other small miscellaneous revenues, such as insignificant gains realized from sales or disposals of capital assets. General revenues are reported at the bottom of the statement of activities after the total net (expense) revenue of the government's functions.

16. What are special and extraordinary items?

County governments may have *special items* and or *extraordinary items* to report below the general revenues on the statement of activities. Special items are significant transactions and events within the control of management that are either (1) unusual in nature or (2) infrequent in occurrence. An example is a decision by management to sell all of its park land. Extraordinary items are transactions or other events that are both (1) unusual in nature and (2) infrequent in occurrence and are not under the control of management. An example is a significant loss on property due to a disaster, such as a fire or tornado.

Internal Activity and Balances

17. How do governments report internal activity and balances in the government-wide financial statements?

Internal activity and balances are the results of resource flows between the funds of the primary government. In aggregating data for the government-wide financial statements, some of those internal amounts are reclassified or eliminated.

In the statement of net assets—

- Amounts owed between funds included in the governmental activities column are eliminated, as are amounts owed between funds included in the business-type activities column.
- The only internal balances (interfund receivables/payables) that remain in the statement are those owed by a fund included in the governmental activities column to a fund included in the business-type activities column (and visa versa). That net residual amount is presented as an “internal balance” and is eliminated in the total column.
- Amounts that the primary government owes to fiduciary funds are reported as receivable from and payable to external parties rather than as internal balances.

In the statement of activities—

- Eliminations remove the “doubling-up” effect of internal service fund activity. Internal service fund activity is naturally doubled in the fund financial statements—once as expenses in the internal service fund and once as expense/expenditures in the “participating” funds (with an offsetting revenue in the internal service fund). Eliminating internal service fund activity in the statement of activities involves not reporting the internal service fund revenues and expenses as well as allocating the interfund “profit” or “loss” among the participating functions. Internal service fund net income would cause a pro rata *reduction* in the charges made to the participating funds/functions. Conversely, an internal service fund net loss would require a pro rata *increase* in the amounts charged to the participating funds/functions.
- Transfers between funds included in the governmental activities column are eliminated, as are transfers between funds included in the business-type activities column. Only transfers between governmental activities (i.e., governmental funds and internal service funds) and business-type activities (i.e., enterprise funds) should be reported as the last line in the statement before “change in net assets.”

Fund Financial Statements—Fund Definitions and Overview

18. What fund types are used in the fund financial statements?

Governments report governmental, proprietary, and fiduciary funds when their activities meet the criteria for using those funds.

The governmental fund types are as follows:

- *General fund.* This fund (may include more than one fund) accounts for all financial resources except those required to be reported in another fund.
- *Special revenue funds.* These funds account for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments or for major capital projects) that are legally restricted to expenditure for specific purposes. Because the income of expendable trust funds were used to support a government's programs and activities, the expendable trust fund type has been eliminated. All expendable trust funds are now reclassified as special revenue funds.
- *Capital projects funds.* These funds account for financial resources, including the proceeds of general obligation bonds, to be used for the acquisition and construction of major capital facilities (other than those financed by proprietary funds).
- *Debt service funds.* These funds account for the accumulation of resources for, and for the payment of, general long-term debt principal and interest.
- *Permanent funds.* These funds report resources that are legally restricted in that only earnings, and not principal, may be used to support the government's programs for the benefit of the government or its citizens. An example is a trust whose earnings finance the maintenance of a public park. The permanent fund type is a new fund type that resulted from the GASB's consideration of the appropriate accounting and financial reporting for activities previously reported for the most part in nonexpendable trust funds. Because the earnings of nonexpendable trust funds were generally used to support governmental programs and activities, the nonexpendable trust fund type has been eliminated. All nonexpendable trust funds are now reclassified to the permanent fund type.

The proprietary fund types are as follows:

- *Enterprise funds.* These funds report activities for which fees are charged to external users for goods and services.
- *Internal service funds.* These funds may be used to report any activity that provides goods or services to other funds, departments, or agencies of the primary government on a cost-reimbursement basis. This fund type is used only if the reporting government is the predominant participant in the activity. Otherwise, the activity is reported in an enterprise fund. An example is a self-funded health risk management fund.

The fiduciary fund types are as follows:

- *Pension trust funds.*
- *Investment trust funds.*
- *Private-purpose trust funds.*
- *Agency funds.*

The most common fiduciary fund type is the *agency* fund type. Agency funds report resources held by the reporting government in a purely custodial capacity. These funds typically involve only the receipt, temporary investment, and remittance of resources to external parties.

On rare occasions, county governments may also be required to report resources in *private-purpose trust funds*. These funds are used to report all trust arrangements, other than those reported in pension trust or investment trust funds, under which principal and income benefit individuals, private organizations or other governments. In light of this definition, resources accounted for in private-purpose trust funds cannot be used to support the government's own programs. In most instances the assets accounted for in a private-purpose trust fund will be based on resources donated by another party in order to benefit individuals, private organizations or other governments identified in the trust arrangement.

19. When do governments report activities in enterprise funds?

The use of enterprise funds is permitted for some activities and required for others. Their use is permitted for any activity that charges a fee to external users for goods or services. Their use is required if any one of the following is met:

- The activity's net revenues from fees and charges is the sole security for the activity's debt. If the debt is secured also by the full faith and credit of the county government, the use of an enterprise fund is not required.
- Laws or regulations require the activity's costs of goods or services be recovered through fees and charges. For this purpose, *costs* include capital costs, such as depreciation or debt service.
- The activity's pricing policy establishes fees and charges intended to recover all costs, including capital costs. The policy must be written and preferably recorded in the board minutes.

These criteria are applied in the context of an activity's principal revenue sources, and county governments need not report insignificant activity as enterprise funds.

Fund Financial Statements—Governmental and Proprietary Funds

20. What financial statements are presented for governmental and proprietary funds?

Separate financial statements are presented for the primary government's governmental and proprietary funds. The two financial statements for governmental funds are (1) the balance sheet and (2) the statement of revenues, expenditures, and changes in fund balances. The three financial statements for proprietary funds are (1) the statement of net assets, (2) the statement of revenues, expenses, and changes in fund net assets, and (3) the statement of cash flows.

Due to the complexity and difficulty of preparing a statement of cash flows for proprietary funds, county governments may enlist the auditor to prepare this required basic financial statement.

21. How are governmental and proprietary funds aggregated for presentation in the fund financial statements?

Governmental and proprietary fund financial statements focus on major funds. Each major governmental fund is reported in a separate column in the governmental fund financial statements. Each major enterprise fund is reported in a separate column in the proprietary fund financial statements. Internal service funds are not reported as major funds.

Nonmajor governmental funds are aggregated and displayed in a single column, and a combined total column is presented for all governmental funds (major and aggregate nonmajor) in the governmental fund financial statements. Nonmajor enterprise funds are aggregated and displayed in a single column, and a combined total column is presented for all enterprise funds (major and aggregate nonmajor) in the proprietary fund financial statements. The combined total for internal service funds is reported in a separate column on the proprietary fund financial statements to the right of the total enterprise funds column.

22. What are the definitions of major funds?

A county government's main operating fund is the general fund and is always a major fund. Other individual governmental and enterprise funds are major funds if they meet both of the following criteria:

- The assets, liabilities, revenues, or expenditures/expenses of the individual fund are at least 10 percent of the corresponding total (assets, liabilities, and so forth) for all funds of the category or type (that is, total governmental or total enterprise funds).
- Total assets, liabilities, revenues, or expenditures/expenses of the individual fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Besides the funds that meet the major fund criteria, any other governmental or enterprise funds may be reported as major funds, if the board of supervisors believes they are of particular importance to financial statement users.

Governmental Funds

23. What measurement focus and basis of accounting do governmental funds use, and how is it applied?

The measurement focus and basis of accounting (MFBA) is current financial resources/modified accrual, which is the same MFBA governmental funds previously used. This MFBA focuses on reporting sources, uses, and balances of current financial resources; the amounts available for appropriation; and fiscal compliance.

Under this MFBA revenues are recognized in the accounting period in which they become measurable and available to liquidate liabilities of the current period, and expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which is recognized when due.

24. How are general capital assets and general long-term debt liabilities reported in the governmental fund financial statements?

General capital assets and general long-term debt liabilities are not reported as assets and liabilities in governmental funds or within the fund financial statements; they are only reported with governmental activities in the government-wide statement of net assets.

General capital assets acquired by governmental funds are recorded as expenditures in the functions or departments that the assets are specifically associated.

Cash proceeds from the issuance of long-term debt should be recorded within governmental funds (such as capital project funds) as proceeds from long-term debt. Proceeds from long-term debt is reported as an other financing source on the statement of revenues, expenditures, and changes in fund balances for governmental funds.

A long-term debt obligation entered into by contractual agreement, such as when a county government acquires a capital asset pursuant to a lease-purchase agreement, does not create current financial resources (cash loan proceeds) and does not require the use of current financial resources (a cash expenditure). However, the debt is recorded as proceeds of long-term debt for the present value of the minimum lease payments, and the capital asset purchase is recorded for the same amount as a department expenditure within the governmental fund.

Principal and interest payments made by governmental funds on long-term debt obligations are

reported as debt service expenditures on the statement of revenues, expenditures and changes in fund balances for governmental funds.

25. What are fund balances, and how are they reported for governmental funds?

Fund balance is the difference between assets and liabilities reported in a governmental fund. Governmental fund balances are segregated into reserved and unreserved amounts. A reserved fund balance is reported when a portion of a governmental fund's net assets are not available for appropriation and when restricted revenues are accounted for in a fund whose restrictions are broader than the one pertaining to that specific revenue—then any unexpended balance at year end would be reported as “reserved.” Common reserved fund balances are—

- Reserved for advances to other funds
- Reserved for inventory
- Reserved for non-current receivables
- Reserved for unemployment compensation (2% revolving fund)

Unreserved fund balances of governmental funds (both major and nonmajor) are displayed by fund type.

26. What are the format classification requirements for the governmental fund statement of revenues, expenditures, and changes in fund balances?

The statement uses the following elements, format, and sequence:

Revenues (detailed)
Expenditures (detailed)
Excess (deficiency) of revenues over (under) expenditures
Other financing sources and uses, including transfers (detailed)
Special and extraordinary items (detailed)
Net change in fund balances
Fund balances (both reserved and unreserved amounts)—beginning of period
Fund balances (both reserved and unreserved amounts)—end of period

Revenues are classified by major source, and expenditures are classified at a minimum by function. Other financing sources and uses include proceeds of long-term debt (including debt refundings), debt issuance premiums and discounts, certain payments to escrow agents for debt refundings, transfers, and sales of capital assets (unless a special item).

If special and extraordinary items both occur in the same period, they are reported together in a “special and extraordinary items” classification separately from each other.

Proprietary Funds

27. What MFBA do proprietary funds use, and how is it applied?

Proprietary funds continue to use the economic resources/accrual MFBA. Proprietary fund accounting focuses on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. Revenues are recognized when earned, and expenses are recognized when incurred.

28. What are the format and classification requirements for the proprietary fund statement of net assets?

Proprietary funds use a net assets format. Assets and liabilities are classified as between current and long-term. Assets are reported as restricted when the nature or normal understanding of their availability is changed by restrictions.

Net assets are displayed in the same three components as in the government-wide statement of net assets. Because restricted assets may include assets that are offset by liabilities rather than equity (such as debt proceeds), the amount reported as restricted assets will not necessarily equal the amount reported as restricted net assets.

29. What are the format and classification requirements for the proprietary fund statement of revenues, expenses, and changes in fund net assets?

This statement classifies revenues by major source and identifies revenues that are security for revenue bonds. The statement is presented using the following elements, format, and sequence:

Operating revenues (detailed)

Total operating revenues

Operating expenses (detailed)

Total operating expenses

Operating income (loss)

Nonoperating revenues and expenses (detailed)

Income before other revenues, expenses, gains, losses, and transfers

Revenues from capital contributions (grant, developer, and other), special and extraordinary items (detailed), and transfers (Each of these elements is separately presented)

Increase (decrease) in net assets

Net assets—beginning of period

Net assets—end of period

30. How are operating revenues and expenses defined?

Operating revenues and expenses are defined for each proprietary fund based on the nature of the fund's principal activity. Operating revenues consist mainly of charges for sales and services, and typical operating expenses are costs of sales and services, administration expenses, and depreciation.

Nonoperating revenues include nonexchange transactions, such as taxes and intergovernmental grants, and other peripheral revenues, such as investment earnings and gains on sales of capital assets. Nonoperating expenses typically include such items as interest expense, bond issuance costs, and losses on sales of capital assets.

31. How are capital assets and long-term debt liabilities reported in the proprietary fund financial statements?

Capital assets purchased or constructed by proprietary funds are capitalized and depreciated within individual proprietary funds.

Capital assets purchased or constructed by proprietary funds are reported net of accumulated depreciation on the statement of net assets for proprietary funds, and depreciation is reported as a separate line item operating expense on the statement of revenues, expenses, and changes in fund net assets for proprietary funds.

Long-term debt obligations of proprietary funds are always recorded as liabilities of those funds. The principal portion of a debt service payment is recorded as a reduction of the balance owed on that fund liability. The interest portion is recorded as a nonoperating interest expense.

When a capital asset is purchased pursuant to a lease-purchase agreement, the present value of the minimum lease payments is recorded as a fund liability, and the same amount is recorded as a capital asset of the fund.

Fund Financial Statements—Fiduciary Funds

32. What financial statements are presented for fiduciary funds?

Fiduciary funds present (1) a statement of fiduciary net assets and (2) a statement of changes in fiduciary net assets. However, when a county government only uses agency funds, a statement of changes in fiduciary net assets is not required. Also, when only the assets and liabilities of agency funds are reported, the statement of fiduciary net assets should be re-styled as "Statement of Fiduciary Obligations" to indicate that agency funds have no net assets. Agency fund assets should always equal liabilities.

Financial Statement Reconciliations

33. Why and how do governments present reconciliations between the governmental fund financial statements and the government-wide financial statements? What are the typical differences that are reconciled?

The amounts reported in the governmental fund financial statements differ from those presented in the government-wide financial statements because of MFBA differences. To explain those differences, summary reconciliations to the government-wide financial statements are presented at the bottom of the governmental fund financial statements or in a separate schedule.

Total fund balances in the governmental fund balance sheet is reconciled to the net assets of governmental activities in the statement of net assets. In addition, the total change in fund balances in the statement of revenues, expenditures, and changes in fund balances is reconciled to the change in net assets of governmental activities in the statement of activities. Following are typical reconciling differences:

<i>Item</i>	<i>Governmental Funds</i>	<i>Governmental Activities</i>
Capital assets	Expenditures when acquired	Capitalized at historical cost and depreciated
Revenues	Recognized on a modified accrual basis; deferred for amounts that are not available to pay current period expenditures	Recognized on an accrual basis, regardless of when "available"
General long-term liabilities	Generally not expenditures or liabilities if not due and payable in the current period; other financing sources for debt proceeds; expenditures for principal payments	Expenses and liabilities regardless of when due; no effect in the statement of activities when debt is issued or debt principal is paid
Internal service funds	Not reported as a governmental fund	Reported as a governmental activity, unless business-type in nature

Generally, there are no reconciling items between enterprise funds and business-type activities, and thus no reconciliation is required. That is, the amounts reported as total enterprise fund net assets and changes in net assets in the proprietary fund financial statements usually are the same

as net assets and changes in net assets of business-type activities in the government-wide financial statements.

Required Supplemental Information—Budgetary Comparison Schedules

34. What is required supplementary information, and what new information of that type does Statement No. 34 require?

Required supplementary information (RSI) is financial information that GASB standards require to be presented with, but outside of, the financial statements. The new RSI that Statement No. 34 requires is MD&A (discussed earlier) and budgetary comparison schedules for certain governmental funds.

RSI is not considered part of the basic financial statements, and therefore, is not audited information. Although RSI is unaudited, the auditor is required to perform certain limited procedures to ensure that it is reasonably complete and accurate. If RSI is omitted, departs materially from prescribed guidelines, or is incomplete, the auditor is required to add an explanatory paragraph to the report on the audited financial statements that explains the omission, departure, or incomplete presentation.

35. What budgetary information is required, and how is it presented?

Budgetary comparison schedules for the general fund and each major special revenue fund with a legally adopted annual budget are presented as RSI.

The schedules compare the period's original budget to the final budget and the final budget to actual budget results. Four columns will be presented: (1) a column for the original budget, (2) a column for the final budget, (3) a variance column to report the variance between the original and final budget, and (4) a variance column to report the variance between the final budget and actual amounts. Significant variances between the original and final budget amounts and between final budget amounts and actual budget results for the general fund are required to be explained in MD&A.

Accounting System Changes

36. What accounting system changes will be necessary to implement Statement No. 34?

A recurring question is whether significant accounting system modifications will be necessary to implement Statement No. 34. We believe the answer to this question is generally no. County governments will continue to keep their records on a cash basis during the year and record transactions as usual in individual funds during the year. All necessary accruals and adjustments will be made only at year end in order to generate the newly required basic financial statements. At a minimum, the more obvious accounting system modifications that will have to be made

involve the following:

- The accounting system should be capable of calculating depreciation and maintaining depreciation records for the proper reporting of capital assets, including infrastructure.
- The accounting system should be capable of summarizing and reporting financial data recorded in the underlying accounts of individual funds into the required presentation formats of the financial statements. This includes distinguishing between major funds and nonmajor funds for proper reporting in individual fund financial statements.
- Because governmental funds use the current financial resources/modified accrual MFBA, adjustments will be necessary to convert that data to the economic resources/accrual MFBA for presentation in the government-wide financial statements. This process of converting governmental data is complicated by the fact that the underlying fund data must remain intact to permit continued reporting of governmental fund financial statements in subsequent periods. Therefore, all adjustments necessary to generate the government-wide financial statements must be made in a separate and distinct financial reporting module or area of the software and not in the governmental funds themselves. This cannot be over-emphasized. Under no circumstances should the governmental fund data be altered in the process of conversion for government-wide reporting.
- Changes made to the chart of accounts in Section C of the manual will need to be incorporated into the chart of accounts used by the accounting systems of county governments. Most of the changes will require the combining or consolidating of financial data for reporting purposes.

Financial Statement Preparation Procedures

37. What procedures will be necessary for preparing the basic financial statements in accordance with Statement No. 34?

Because county governments use different accounting software packages, and software vendors will make different changes to these software packages in order to comply with Statement No. 34, as well as other factors, the following step procedures are provided for general guidance only and should not be relied upon to encompass everything that will be necessary for financial statement preparation.

Some county governments may even consider using a spreadsheet approach for preparing their government-wide financial statements. The financial data in individual funds could be

downloaded or imported into an analytical spreadsheet, such as Lotus, Excel, or Quattro Pro, and the necessary adjustments to produce the government-wide financial statements would then be made within a government-wide reporting template created within the spreadsheet.

The step procedures outlined below assume that the fund financial statements will be prepared before the government-wide financial statements are prepared.

1. Separate fund financial statements are required for the governmental funds, proprietary funds, and fiduciary funds, and therefore each individual fund of a county government will need to be properly classified as either a governmental, proprietary, or fiduciary fund. Fiduciary fund financial statements can be prepared generally any time after the close of the fiscal year because little or no adjustments to these funds are necessary.
2. Because county governments have always kept their records on a cash basis in prior years, no prior year accruals for receivables and payables are recorded within each of the governmental funds and proprietary funds as of October 1, the beginning of the fiscal year. Therefore, beginning of year accruals must be recorded as direct adjustments to the fund balance of each governmental fund and the net assets of each proprietary fund. These beginning of year accruals most likely can be obtained from the prior auditor. An example of a typical beginning of year accrual is a claims payable adjustment to the general fund. The journal entry to record the beginning of year claims payable is a debit to fund balance and a credit to claims payable for the same amount.
3. All beginning of year balances of capital assets (original cost less accumulated depreciation) and all beginning of year long-term debt obligations should be recorded within the proprietary funds only. These necessary adjustments can also be obtained from the prior auditor.
4. After the beginning of year receivable/payable accruals are recorded, these same receivables/payables will have to be reversed (that is, eliminated) through the current year operations of each fund. For example, the journal entry to reverse a beginning of year claims payable amount recorded previously within the general fund is a debit to claims payable and various credits to the fund's functional or department expenditures, thus reducing current year operations for accrual expenditures recognized in the prior reporting period.
5. Year end accrual adjusting entries will also have to be made within each of the governmental funds and proprietary funds before the governmental fund financial statements and proprietary fund financial statements can be prepared. For example, the journal entry to record the end of year claims payable amount within the general fund is a debit to the various functional or department expenditures of

the fund and a credit to claims payable for the total amount of the department expenditure debits.

6. Governmental and proprietary fund financial statements focus on major funds, therefore each major fund must be identified and reported in a separate column in the governmental fund financial statements and proprietary fund financial statements. It is important to remember that end of year receivable and payable accruals must be made to all governmental funds and enterprise funds before major funds can be accurately identified for reporting purposes.
7. Adjustments necessary to generate the government-wide financial statements can now be prepared, but government-wide adjustments should never be made within the individual governmental and proprietary funds themselves. The adjustments for government-wide reporting can be made in a separate and distinct financial reporting module or area of the software or in an analytical spreadsheet used for importing financial data of the individual funds. Most adjustments for government-wide reporting will involve differences in how capital asset activity and long-term debt activity are recorded within governmental funds and how such activity will be reported in the government-wide financial statements. Also, certain internal activity eliminations will have to be made involving transfers between funds and reciprocal receivable and payable balances existing at year end between funds.
8. When an internal service fund is used by a county government, the reporting of the balances and activity of the internal service fund in the government-wide financial statements will require two special adjustments. An adjustment will be necessary to include the assets and liabilities of the internal service fund as part of governmental activities for the government-wide statement of net assets, and an adjustment will be necessary to eliminate the “doubling up” effect of internal service fund activity for reporting in the government-wide statement of activities.
9. Financial information to determine net assets at the beginning of the year (October 1) for governmental activities will have to be captured and reported. Beginning net assets will consist mainly of the beginning balance of capital assets, net of accumulated depreciation, and the beginning balance of long-term debt obligations. Because of the same MFBA, beginning net assets for business-type activities reported in the statement activities should generally be the same as beginning net assets reported for enterprise funds in the proprietary statement of revenues, expenses, and changes in fund net assets.

10. After the basic financial statements have been prepared, reconciliations between the fund financial statements and the government-wide financial statements will need to be provided. For governmental funds, total fund balances in the governmental fund balance sheet is reconciled to the net assets of governmental activities in the statement of net assets. In addition, the total change in fund balances in the statement of revenues, expenditures, and changes in fund balances is reconciled to the change in net assets of governmental activities in the statement of activities.

APPENDIX A

Illustrated Financial Statements and Other Schedules / Worksheets

Sample County
Statement of Net Assets
September 30, 2003

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	2,930,877	251,799	3,182,676
Property tax receivable	4,200,000		4,200,000
Fines receivable, net	125,000		125,000
Intergovernmental receivables	214,657		214,657
Accounts receivable, net		155,428	155,428
Other receivables	3,333		3,333
Internal balances	4,642	(4,642)	0
Capital assets, net (Note 1)	3,845,004	444,593	4,289,597
Total assets	<u>11,323,513</u>	<u>847,178</u>	<u>12,170,691</u>
LIABILITIES			
Claims payable	411,269	9,028	420,297
Accrued interest payable	23,126		23,126
Intergovernmental payables	145,728		145,728
Deferred revenue	4,200,000		4,200,000
Long-term liabilities (Note 2):			
Due within one year	949,047	127,151	1,076,198
Due in more than one year	5,505,234	231,569	5,736,803
Total liabilities	<u>11,234,404</u>	<u>367,748</u>	<u>11,602,152</u>
NET ASSETS			
Invested in capital assets, net of related debt	68,579	85,873	154,452
Restricted for:			
Debt service	375,940		375,940
Economic development	238,054		238,054
Public works	472,846		472,846
Other purposes	258,040		258,040
Unrestricted (deficit)	(1,324,350)	393,557	(930,793)
Total net assets	<u>89,109</u>	<u>479,430</u>	<u>568,539</u>

NOTES:

Internal balances is the net interfund receivable/payable that exists between the general fund included in the governmental activities column and the solid waste fund included in the business-type activities column.

The intergovernmental payables of \$145,728 include the following amounts due the county's agency funds at year end:

Co-lin maintenance	5,168
Co-lin improvement	1,043
Pearl River Basin Development District	577
Total	<u>6,788</u>

Sample County
Statement of Activities
For the Year Ended September 30, 2003

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities:							
General government	1,939,109	639,465			(1,299,644)		(1,299,644)
Public safety	1,398,707	191,605	140,956		(1,066,146)		(1,066,146)
Public works	1,715,553		701,409		(1,014,144)		(1,014,144)
Health and welfare	188,605		47,639		(140,966)		(140,966)
Culture and recreation	157,326				(157,326)		(157,326)
Conser. of natural resources	71,234				(71,234)		(71,234)
Economic development	1,381,396		1,186,296		(195,100)		(195,100)
Interest on long-term debt	297,966				(297,966)		(297,966)
Total governmental activities	<u>7,149,896</u>	<u>831,070</u>	<u>2,076,300</u>		<u>(4,242,526)</u>		<u>(4,242,526)</u>
Business-type activities:							
Solid waste	628,225	746,628		12,420		130,823	130,823
Total business-type activities	<u>628,225</u>	<u>746,628</u>		<u>12,420</u>		<u>130,823</u>	<u>130,823</u>
Total primary government	<u>7,778,121</u>	<u>1,577,698</u>	<u>2,076,300</u>	<u>12,420</u>	<u>(4,242,526)</u>	<u>130,823</u>	<u>(4,111,703)</u>
General revenues							
Taxes:							
Property taxes					4,072,530	56,723	4,129,253
Road & bridge privilege taxes					271,145		271,145
Grants and contributions not restricted to specific programs					427,914		427,914
Unrestricted investment income					182,900	13,645	196,545
Unrestricted rental income					31,925		31,925
Miscellaneous					27,364	5,922	33,286
Total general revenues					<u>5,013,778</u>	<u>76,290</u>	<u>5,090,068</u>
Change in net assets					771,252	207,113	978,365
Net assets-beginning					<u>(682,143)</u>	<u>272,317</u>	<u>(409,826)</u>
Net assets-ending					<u>89,109</u>	<u>479,430</u>	<u>568,539</u>

**Sample County
Balance Sheet
Governmental Funds
September 30, 2003**

Exhibit 3

	General Fund	Road & Bridge Fund	CDBG Cox/ Harrisville	Road Bonds '97	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	609,119	460,326		841,632	884,402	2,795,479
Property tax receivable	2,300,000	400,000			1,500,000	4,200,000
Fines receivable	10,000					10,000
Intergovernmental receivables	127,961		86,696			214,657
Other receivables	3,333					3,333
Due from other funds	10,780	22,486			49,191	82,457
Total assets	<u>3,061,193</u>	<u>882,812</u>	<u>86,696</u>	<u>841,632</u>	<u>2,433,593</u>	<u>7,305,926</u>
LIABILITIES & FUND BALANCES						
Liabilities:						
Claims payable	57,394	9,966	86,696	132,801	29,869	316,726
Intergovernmental payables	135,050				3,890	138,940
Due to other funds	79,929				4,674	84,603
Deferred revenue	2,300,000	400,000			1,500,000	4,200,000
						0
Total liabilities	<u>2,572,373</u>	<u>409,966</u>	<u>86,696</u>	<u>132,801</u>	<u>1,538,433</u>	<u>4,740,269</u>
Fund balances:						
Unreserved:						
General fund	488,820					488,820
Special revenue funds		472,846			488,686	961,532
Debt service funds					399,066	399,066
Capital project funds				708,831	7,408	716,239
Total fund balances	<u>488,820</u>	<u>472,846</u>	<u>0</u>	<u>708,831</u>	<u>895,160</u>	<u>2,565,657</u>
Total liabilities & fund balances	<u>3,061,193</u>	<u>882,812</u>	<u>86,696</u>	<u>841,632</u>	<u>2,433,593</u>	
Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:						
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (Note 1):						
Capital assets net of depreciation as of 10-1-03					3,193,204	
Plus capital outlay expenditures made during year					1,140,062	
Less depreciation expense recorded during year					(407,906)	
Less net book value of capital assets sold during year					(80,356)	3,845,004
Fine receivables that have accrued at year end but are not available to liquidate liabilities of the current period are not reported in the funds.						115,000
An internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.						40,855
Liabilities not due and payable in the current period are not reported in the funds:						
Long-term liabilities (Note 2)					(6,454,281)	
Accrued interest on bonds					(23,126)	(6,477,407)
Net assets of governmental activities						<u>89,109</u>

Sample County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental funds
For the Year Ended September 30, 2003

	General Fund	Road & Bridge Fund	CDBG Cox/ Harrisville	Road Bonds '97	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property taxes	2,200,181	384,268			1,488,081	4,072,530
Road and bridge privilege taxes		271,145				271,145
Licenses commissions and other revenue	182,065				9,084	191,149
Fines and forfeitures	343,506				12,175	355,681
Intergovernmental revenues	606,971	695,514	1,192,796			2,495,281
Charges for services	141,659				170,431	312,090
Interest income	73,530	8,370		41,500	59,500	182,900
Miscellaneous	43,418	3,816			14,138	61,372
Total revenues	<u>3,591,330</u>	<u>1,363,113</u>	<u>1,192,796</u>	<u>41,500</u>	<u>1,753,409</u>	<u>7,942,148</u>
EXPENDITURES						
Current:						
General government	1,870,994				12,583	1,883,577
Public safety	1,145,333				238,870	1,384,203
Public works		1,408,659			165,420	1,574,079
Health and welfare	188,605					188,605
Culture and recreation	37,000				120,326	157,326
Conservation of natural resources	70,713				521	71,234
Economic development and assistance	12,893		1,192,796		175,707	1,381,396
Debt service:						
Principal	61,161	127,077			676,275	864,513
Interest	7,687	39,665			254,888	302,240
Capital outlay				982,021		982,021
Total expenditures	<u>3,394,386</u>	<u>1,575,401</u>	<u>1,192,796</u>	<u>982,021</u>	<u>1,644,590</u>	<u>8,789,194</u>
Excess (deficiency) of revenues over (under) expenditures	<u>196,944</u>	<u>(212,288)</u>	<u>0</u>	<u>(940,521)</u>	<u>108,819</u>	<u>(847,046)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds of other debt		116,150				116,150
Proceeds from sale of assets					86,356	86,356
Transfers in		370,000			2,600	372,600
Transfers out	<u>(300,000)</u>			<u>(70,000)</u>	<u>(2,600)</u>	<u>(372,600)</u>
Total other financing sources and uses	<u>(300,000)</u>	<u>486,150</u>	<u>0</u>	<u>(70,000)</u>	<u>86,356</u>	<u>202,506</u>
Net change in fund balances	(103,056)	273,862	0	(1,010,521)	195,175	(644,540)
Fund balances - beginning	<u>591,876</u>	<u>198,984</u>	<u>0</u>	<u>1,719,352</u>	<u>699,985</u>	<u>3,210,197</u>
Fund balances - ending	<u>488,820</u>	<u>472,846</u>	<u>0</u>	<u>708,831</u>	<u>895,160</u>	<u>2,565,657</u>

Sample County
Reconciliation of the Statement of Revenues
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
For the Year Ended September 30, 2003

Net change in fund balances----total governmental funds (Exhibit 4) (644,540)

Amounts reported for governmental activities in the statement of activities (Exhibit 2)
are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Thus, the change in net assets differs from the change in fund balances by the amount that capital outlays (\$1,140,062) exceeded depreciation (\$407,906) in the current period. 732,156

In the statement of activities, only gains and losses from the sale of capital assets are reported, whereas in the governmental funds, proceeds from the sale of capital assets increase financial resources. Thus, the change in net assets differs from the change in fund balances by the amount that proceeds from the sale (\$86,356) exceeded the gain (\$6,000) in the current period. (80,356)

Fine revenue recognized on the modified accrual basis in the funds during the current year is reduced because prior year recognition would have been required on the statement of activities using the full-accrual basis of accounting (27,000)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Thus, the change in net assets differs from the change in fund balances by the amount that debt repayments (\$864,513) exceeded debt proceeds (\$116,150). 748,363

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. However, In the statement of activities, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is recognized under the modified accrual basis of accounting when due, rather than as it accrues. Thus, the change in net assets differs from the change in fund balances by a combination of the following items:

Compensated absences	(2,500)	
Accrued interest on bonds	<u>4,274</u>	1,774

An internal service fund is used by management to charge the cost of insurance to individual funds. The net revenue (expense) is reported within governmental activities. 40,855

Change in net assets of governmental activities (Exhibit 2) 771,252

**Sample County
Statement of Net Assets
Proprietary Funds
September 30, 2003**

	Business-type Activity Enterprise Fund Solid Waste	Internal Service Fund Self-Insurance
ASSETS		
Current assets:		
Cash and cash equivalents	251,799	135,398
Accounts receivable, net	155,428	
Due from other funds	1,464	
Total current assets	<u>408,691</u>	<u>135,398</u>
Noncurrent assets:		
Capital assets, net	444,593	
Total noncurrent assets	<u>444,593</u>	
Total assets	<u><u>853,284</u></u>	<u><u>135,398</u></u>
LIABILITIES		
Current Liabilities:		
Claims payable	9,028	
Due to other funds	6,106	
Claims and judgments liability		94,543
Capital leases payable - current	72,151	
Other loans payable - current	55,000	
Total current liabilities	<u>142,285</u>	<u>94,543</u>
Noncurrent Liabilities:		
Capital leases payable	66,569	
Other loans payable	165,000	
Total noncurrent liabilities	<u>231,569</u>	
Total liabilities	<u>373,854</u>	<u>94,543</u>
NET ASSETS		
Invested in capital assets		
net of related debt	85,873	
Unrestricted	393,557	40,855
Total net assets	<u><u>479,430</u></u>	<u><u>40,855</u></u>

Sample County
Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended September 30, 2003

	Business-type Activity Enterprise Fund Solid Waste	Internal Service Fund Self-Insurance
OPERATING REVENUES		
Charges for services	746,628	
Premiums		219,442
Total operating revenues	<u>746,628</u>	<u>219,442</u>
OPERATING EXPENSES		
Personal services	241,802	
Contractual services	158,737	
Materials and supplies	39,115	
Depreciation expense	59,821	
Bad debt expense	96,555	
Administrative	6,106	69,804
Medical claim payments		108,783
Total operating expenses	<u>602,136</u>	<u>178,587</u>
Operating income (loss)	<u>144,492</u>	<u>40,855</u>
NONOPERATING REVENUES (EXPENSES)		
Property tax	56,723	
Interest income	13,645	
Interest expense	(21,357)	
Loss on disposal of capital assets	(4,732)	
Operating grants	12,420	
Other income	5,922	
Total nonoperating revenue (expenses)	<u>62,621</u>	
Change in net assets	<u>207,113</u>	<u>40,855</u>
Total net assets - beginning	<u>272,317</u>	<u>0</u>
Total net assets - ending	<u><u>479,430</u></u>	<u><u>40,855</u></u>

Sample County
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2003

	Business-type Activity Enterprise Fund Solid Waste	Internal Service Fund Self-Insurance
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	581,716	
Receipts from internal services provided		219,442
Payments to suppliers	(202,995)	(69,804)
Payments for insurance claims	(241,802)	(14,240)
Payments for indirect costs	(7,735)	
Net cash provided (used) by operating activities	<u>129,184</u>	<u>135,398</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating grants received	12,420	
Cash received from property taxes	56,597	
Other receipts	5,922	
Net cash provided (used) by noncapital financing activities	<u>74,939</u>	
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(112,926)	
Principal paid on long-term debt	(126,367)	
Interest expense paid	(21,357)	
Net cash provided (used) by capital financing activities	<u>(260,650)</u>	
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	<u>12,307</u>	
Net increase (decrease) in cash and cash equivalents	<u>(44,220)</u>	<u>135,398</u>
Cash and cash equivalents - beginning of year	<u>296,019</u>	<u>0</u>
Cash and cash equivalents - end of year	<u><u>251,799</u></u>	<u><u>135,398</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	144,492	40,855
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:		
Depreciation	59,821	
Provision for uncollectible accounts	96,555	
Change in assets and liabilities:		
Increase (decrease) in accounts receivable	(164,912)	
Increase (decrease) in claims payable	(5,143)	
Increase (decrease) in interfund payables	(1,629)	
Increase (decrease) in claims and judgments liabilities		<u>94,543</u>
Total adjustments	<u>(15,308)</u>	<u>94,543</u>
Net cash provided (used) by operating activities	<u><u>129,184</u></u>	<u><u>135,398</u></u>

Noncash capital financing activity:

Sample County entered into a three year capital lease obligation for \$28,875 at 4.67% interest to lease-purchase mobile equipment. Principal payments of \$7,628 were made on the lease during the year.

**Sample County
Statement of Fiduciary Obligations
Fiduciary Funds
September 30, 2003**

	<u>Agency Funds</u>
ASSETS	
Cash and investments	405,197
Intergovernmental receivables	<u>6,788</u>
Total assets	<u><u>411,985</u></u>
LIABILITIES	
Intergovernmental payables	229,778
Other accrued liabilities	<u>182,207</u>
Total liabilities	<u><u>411,985</u></u>

Sample County
September 30, 2003

Note 1-Capital Assets

Capital asset activity for the year ended September 30, 2003 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated:				
Land and improvements	102,220			102,220
Total capital assets not being depreciated	102,220	0	0	102,220
Other capital assets:				
Buildings and improvements	3,725,374			3,725,374
Equipment	1,848,615	158,041	(154,356)	1,852,300
Roads and bridges		982,021		982,021
Total other capital assets at historical cost	5,573,989	1,140,062	(154,356)	6,559,695
Less accumulated depreciation for:				
Buildings and improvements	(1,528,739)	(124,179)		(1,652,918)
Equipment	(954,266)	(264,087)	74,000	(1,144,353)
Roads and bridges	0	(19,640)		(19,640)
Total accumulated depreciation	(2,483,005)	(407,906)	74,000	(2,816,911)
Other capital assets, net	3,090,984	732,156	(80,356)	3,742,784
Governmental activities capital assets, net	3,193,204	732,156	(80,356)	3,845,004

Depreciation expense was charged to the governmental functions, as follows:

General government	122,372
Public safety	61,185
Public works	224,349
Total governmental activities depreciation expense	407,906

	Beginning Balance	Increases	Decreases	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated:				
Construction-in-progress	156,545	111,778	(268,323)	0
Total capital assets not being depreciated	156,545	111,778	(268,323)	0
Other capital assets:				
Buildings and improvements		268,323		268,323
Equipment	313,424	30,023	(47,321)	296,126
Total other capital assets at historical cost	313,424	298,346	(47,321)	564,449
Less accumulated depreciation for:				
Buildings and improvements		(7,757)		(7,757)
Equipment	(102,624)	(52,064)	42,589	(112,099)
Total accumulated depreciation	(102,624)	(59,821)	42,589	(119,856)
Other capital assets, net	210,800	238,525	(4,732)	444,593
Business-type activities capital assets, net	367,345	350,303	(273,055)	444,593

Depreciation expense was all charged to the solid waste function.

Sample County
September 30, 2003

Note 2-Long-term Liabilities

Long-term liability activity for the year ended September 30, 2003 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and equipment leases payable:					
General obligation debt	6,655,000		(695,000)	5,960,000	735,000
Equipment leases payable	478,619	116,150	(169,513)	425,256	209,797
Total bonds and equipment leases payable	7,133,619	116,150	(864,513)	6,385,256	944,797
Other liabilities:					
Compensated absences	66,525	7,000	(4,500)	69,025	4,250
Total other liabilities	66,525	7,000	(4,500)	69,025	4,250
Governmental activities long-term liabilities	7,200,144	123,150	(869,013)	6,454,281	949,047

Additions to compensated absences during the year are reported in the following expense functions in the statement of activities:

General government	3,000
Public safety	2,000
Public works	2,000
Total	<u>7,000</u>

Reductions to compensated absences during the year reduce the compensated absences liability reported on the statement of net assets but are reported as expenditures in the governmental funds, as follows:

General government	2,000
Public safety	1,000
Public works	1,500
Total	<u>4,500</u>

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
BUSINESS-TYPE ACTIVITIES					
Notes and equipment leases payable					
Solid waste transfer station note	275,000		(55,000)	220,000	55,000
Equipment leases payable	181,212	28,875	(71,367)	138,720	72,151
Business-type activities long-term liabilities	456,212	28,875	(126,367)	358,720	127,151

Sample County
Schedule to Determine Major Funds
For Fiscal Year Ending September 30, 2003

Fund No.		Assets	Liabilities	Revenues	Expenditures/ Expenses	Exceeds 10%	Exceeds 5%	Qualifies as a Major Fund always
Var.	General Fund	3,061,193	2,572,373	3,591,330	3,394,386	N/A	N/A	
	Special Revenue Funds:							
15	Regional Library	12,830	9,902	113,650	120,326			no
75	Narcotics Task Force	3,129		763	511			no
76	Seized/Not Forfeited	4,412	100	4,412	(141)			no
80	Jr. Livestock Grant '96	5,929		268	521			no
104	Law Library	16,969		10,140	12,583			no
122	Fire Departments	2,632	366	85,574	90,679			no
123	Local Litter	75		0				no
124	Seized and Forfeited	467		3,272	8,113			no
125	Industrial Fund	238,054		105,002	175,707			no
126	Drug Task Force	9,525		5,082				no
150	Road & Bridge Fund	482,812	9,966	1,363,113	1,575,401	X	X	yes
160	Road Equip. Buy-Back	74,690		1,139				no
362	CDBG - Cox/Harrisville	86,696	86,696	1,192,796	1,192,796	X	X	yes
693	E911	132,947	2,605	178,218	161,094			no
	Debt Service Funds:							
210	Countywide B & I	22,809		751				no
220	Countywide Road B & I	971		42				no
226	1992 Road Bonds	47,513		322,749	263,106			no
227	1994 Road Bonds	100,082		359,541	291,810			no
228	1997 Road Bonds	196,236		280,093	213,024			no
241	School Trans Note	14,116		610				no
250	Hospital B & I	4,996	4,308	87,455	84,175			no
281	MBIA	9,416		123,407	120,850			no
295	Sanitation & Garbage	7,235		314				no
	Capital Project Funds:							
170	State Aid Road	21,152	21,152	70,605	102,232			no
301	Road Bonds '92	1,621		71				no
302	Road Bonds '94	5,787		251				no
303	Road Bonds '97	841,632	132,801	41,500	982,021	X	X	yes
	Total governmental funds	5,405,926	2,840,269	7,942,148	8,789,194			
10%	of total governmental funds	540,593	284,027	794,215	878,919			
	Enterprise Funds:							
112 & 115	Garbage (112) & Solid Waste Collection Funds (115)	853,284	373,854	746,628	602,136	X	X	yes
	Total enterprise funds	853,284	373,854	746,628	602,136			
10%	of total enterprise funds	85,328	37,385	74,663	60,214			
Total	governmental & enterprise funds	6,259,210	3,214,123	8,688,776	9,391,330			
5%	of total governmental & enterprise funds	312,961	160,706	434,439	469,567			

NOTE: Year-end receivable/payable accruals should be made before preparing this schedule.

Statement of Net Assets - Conversion Worksheet
Sample County
September 30, 2003

	Total Governmental Funds From Exhibit 3	Adjustments Dr (Cr)	Reclassifica- tions Dr (Cr)	Total Governmental Activities To Exhibit 1
ASSETS				
Cash and investments	2,795,479	135,398 (6)		2,930,877
Property tax receivable	4,200,000			4,200,000
Internal balances			4,642 (A)	4,642
Intergovernmental receivables	214,657			214,657
Fines receivable, net	10,000	142,000 (4) (27,000) (5)		125,000
Other receivables	3,333			3,333
Due from other funds	82,457		(82,457) (A)	0
Capital assets, net		3,193,204 (1) (407,906) (8) (80,356) (8) 1,140,062 (7)		3,845,004
Total assets	<u>7,305,926</u>			<u>11,323,513</u>
LIABILITIES & NET ASSETS				
Claims payable	316,726	(94,543) (6)		411,269
Deferred revenue	4,200,000			4,200,000
Accrued interest payable		(23,126) (3)		23,126
Due to other funds	84,603		84,603 (A)	0
Intergovernmental payables	138,940		(6,788) (A)	145,728
Long-term liabilities:				
Due within one year			(949,047) (B)	949,047
Due in more than one year		748,363 (10) (7,200,144) (2) (2,500) (11)	949,047 (B)	5,505,234
Fund balances/net assets	2,565,657	2,476,548 *		89,109
Total liabilities & net assets	<u>7,305,926</u>			<u>11,323,513</u>

* Sum of adjustments that appear on bottom of next page in the adjustments column.

Statement of Activities - Conversion Worksheet
Sample County
September 30, 2003

	Total Governmental Funds From Exhibit 4	Adjustments Dr (Cr)	Reclassifica- tions Dr (Cr)	Total Governmental Activities To Exhibit 2
REVENUES:				
Property taxes	4,072,530			4,072,530
Road and bridge privilege			(271,145) (C)	271,145
Licenses, commissions, and other revenues	462,294		462,294 (C)	0
Fines and forfeitures	355,681	27,000 (5)	328,681 (C)	0
Interest income	182,900			182,900
Unrestricted rental income			(31,925) (C)	31,925
Charges for services	312,090		(518,980) (C)	831,070
Intergovernmental revenues	2,495,281		2,495,281 (C)	0
Grants - unrestricted			(427,914) (C)	427,914
Operating grants - restricted			(2,076,300) (C)	2,076,300
Miscellaneous	61,372	(6,000) (8)	40,008 (C)	27,364
	<u>7,942,148</u>			
Proceeds of other debt	116,150	116,150 (10)		0
Proceeds of sale of assets	86,356	86,356 (8)		0
Transfers in	372,600		372,600 (D)	0
	<u>8,517,254</u>			<u>7,921,148</u>
EXPENSES:				
General government	1,883,577	(47,412) (7)		1,939,109
		122,372 (8)		
		1,000 (11)		
		(20,428) (6)		
Public safety	1,384,203	(39,510) (7)		1,398,707
		61,185 (8)		
		1,000 (11)		
		(8,171) (6)		
Public works	1,574,079	(71,119) (7)		1,715,553
		224,349 (8)		
		500 (11)		
		(12,256) (6)		
Health & welfare	188,605			188,605
Culture & recreation	157,326			157,326
Conservation & natural res.	71,234			71,234
Economic development	1,381,396			1,381,396
Debt service - principal	864,513	(864,513) (10)		0
Debt service - interest	302,240	(4,274) (3)		297,966
Capital outlay	982,021	(982,021) (7)		0
	<u>8,789,194</u>			
Transfers out	372,600		(372,600) (D)	0
	<u>9,161,794</u>			<u>7,149,896</u>
Net change	<u>(644,540)</u>			<u>771,252</u>
Fund balances/net assets - beginning	<u>3,210,197</u>	<u>3,892,340</u> *		<u>(682,143)</u>
Fund balances/net assets - ending	<u>2,565,657</u>	<u>2,476,548</u>		<u>89,109</u>

* Sum of adjustments #1, #2, #3, and #4 that affected beginning net assets.

**Sample County
Adjusting Journal Entries
Year Ended September 30, 2003**

	Dr.	Cr.
(1)		
Capital assets, net	3,193,204	
Net assets - beginning		3,193,204
To record beginning balance in capital assets		

(2)		
Net assets - beginning	7,200,144	
Long-term liabilities		7,200,144
To record beginning balance in long-term liabilities		

(3)		
Net assets - beginning	27,400	
Debt service - interest (expenditure)		4,274
Accrued interest payable		23,126
To record accrued interest payable by adjusting current interest expense and the beginning net assets. The adjusting entry was derived from the transaction information below:		

Government-Wide FS:	Dr	Cr
(1) Net assets-beginning	27,400	
Accrued interest payable		27,400
To record beginning of year three-month accrual on a six-month semi annual premium due next year.		

(2) Accrued interest payable	27,400	
Interest expense	27,400	
Cash		54,800
To record semi-annual payment made during year.		

(3) Interest expense	23,126	
Accrued interest payable		23,126
To record three-month accrual at end of year.		

Governmental Fund FS

(1) No beginning of year three-month accrual recorded.

(2) Interest expense	54,800	
Cash		54,800
To record semi-annual payment made during year.		

(3) No end of year three-month accrual recorded.

**Sample County
Adjusting Journal Entries
Year Ended September 30, 2003**

	Dr.	Cr.
(4)		
Fines receivable, net	142,000	
Net assets, beginning		142,000
To adjust fines receivable and beginning net assets accordingly to reflect the difference in full accrual and modified accrual basis of accounting, as indicated below:		

	Fine Receivable
General fund balance sheet at beginning of year	8,000
Full-accrual adjustment	142,000
Statement of net assets balance at beginning of year	<u>150,000</u>

(5)		
Fines and forfeitures revenue	27,000	
Fines receivable, net		27,000
To adjust fine revenue and fine receivable accordingly to reconcile from modified accrual to full accrual based on the information below:		

	Full Accrual	Modified Accrual
Fine receivable balance at beginning of year	150,000	8,000
Less payments on receivables	(75,000)	(8,000)
Plus accrual at year end	65,000	10,000
Less allowance for doubtful accounts	(15,000)	0
Fine receivable balance at end of year	<u>125,000</u>	<u>10,000</u>

	Fines Receivable	Fine Revenue
Modified-accrual balance at beginning of year	10,000	
Plus full-accrual adjustment to beginning bal.	142,000	
Less conversion adjustment	(27,000)	
Full-accrual balance at end of year	<u>125,000</u>	

Modified accrual revenues	355681
Less conversion adjustment	(27,000)
Full-accrual revenues	<u>328,681</u>

(6)		
Cash and investments	135,398	
Claims payable		94,543
General government (expenditures)		20,428
Public safety (expenditures)		8,171
Public works (expenditures)		12,256
To record the effect on assets, liabilities, and expenditures of the internal service amounts allocated to governmental activities.		

(7)		
Capital assets, net	1,140,062	
Capital expenditures:		
General government (expenditures)		47,412
Public safety (expenditures)		39,510
Public works (expenditures)		71,119
Capital outlay (expenditures)		982,021
To record capital asset additions and reclassify capital asset expenditures.		

**Sample County
Adjusting Journal Entries
Year Ended September 30, 2003**

	Dr.	Cr.
(8)		
General government (expenditures)	122,372	
Public safety (expenditures)	61,185	
Public works (expenditures)	224,349	
Capital assets, net		407,906
To record depreciation expense and allocate to governmental activities.		
(9)		
Proceeds from sale of assets	86,356	
Capital assets, net (cost less accumulated depreciation)		80,356
Miscellaneous revenue (gain on sale)		6,000
To write-off net book value of equipment sold and record immaterial gain as miscellaneous revenue.		
(10)		
Proceeds of other debt (other financing source)	116,150	
Long-term liabilities	748,363	
Debt service - principal (expenditure)		864,513
To adjust debt related financing source and debt service principal to zero and adjust effect on long-term liabilities.		
(11)		
General government (expenditures)	1,000	
Public safety (expenditures)	1,000	
Public works (expenditures)	500	
Long-term liabilities		2,500
To adjust for the net increase in compensated absences liability.		
Additions of \$7,000 increased expenses and long-term liabilities accordingly on the government-wide financial statements. Payments of \$4,500 made to retirees during the year reduced the long-term compensated liability on the statement of net assets but increased expenditures in the governmental fund financial statements.		

**Sample County
Reclassification Entries
Year Ended September 30, 2003**

	Dr.	Cr.
(A)		
Internal balances	4,642	
Due to other funds	84,603	
Due from other funds		82,457
Intergovernmental payables		6,788
To offset and reclassify receivables and payables for reporting purposes		
(B)		
LTD - Due in more than one year	949,047	
LTD - Due within one year		949,047
To reclassify for reporting purposes.		
(C)		
Licenses, commissions, and other revenues	462,294	
Fines and forfeitures	328,681	
Intergovernmental revenues	2,495,281	
Miscellaneous	40,008	
Road and bridge privilege taxes		271,145
Unrestricted rental income		31,925
Charges for services		518,980
Grants - unrestricted		427,914
Operating grants - restricted		2,076,300
To reclassify certain revenues for reporting purposes.		
(D)		
Transfers in	372,600	
Transfers out		372,600
To offset transfers.		

Sample County
Reconciliation of Fund Balances-Beginning
to Net Assets-Beginning

Fund Balances, beginning (Exhibit 4)	<u>3,210,197</u>	
Add: beginning balance of capital assets (net)	3,193,204	Adj. entry #1
Deduct: beginning balance of long-term liabilities	(7,200,144)	Adj. entry #2
Deduct: prior year accrued interest payable	(27,400)	Adj entry #3
Add: prior year accrued fine revenue	<u>142,000</u>	Adj. entry #4
Subtotal of adjustments	<u>(3,892,340)</u>	
Net assets-beginning (Exhibit 2)	<u><u>(682,143)</u></u>	

**Schedule to Eliminate the Effect of Internal Service Fund Activity
for the Statement of Activities**

		Self-Insurance Internal Service Fund
		<hr/>
Change in net assets (See Exhibit 6)		40,855
Non-allocable revenues [specify type]		
Investment earnings		none
Charges for services to external parties (general government)		none
Non-allocable expenses [specify type]		
Interest on long-term debt		none
Direct expenses incurred for external services (general government)		none
Net amount (to be allocated among programs)		<hr/>
		40,855
		Governmental Activities
		<hr/>
Programs:		
General government	50%	20,428
Public safety	20%	8,171
Public works	30%	12,256
Total allocations	<hr/>	<hr/>
	100%	40,855
	<hr/>	<hr/>

Sample County
Schedule to Convert Governmental Fund Balances to Net Assets

Restricted for:

	Capital Projects	Debt Service	Economic Development	Public Works	Other Purposes	Unrestricted	Invested in Capital Assets, Net of Related Debt	Total
Fund balances (Exhibit 3):								
General fund						488,820		488,820
Road and Bridge funds				472,846				472,846
Road bonds '97 fund	708,831							708,831
Debt service funds		399,066						399,066
Nonmajor special revenue funds			238,054		258,040			496,094
Total fund balances	708,831	399,066	238,054	472,846	258,040	488,820		2,565,657
Adjustments (See the reconciliation on Exhibit 3):								
A Additional accrued interest		(23,126)						(23,126)
B Fines receivable						115,000		115,000
C Internal service funds						40,855		40,855
D Capital assets net of depreciation							3,845,004	3,845,004
E Bonds and notes payable						(1,969,025)	(4,485,256)	(6,454,281)
Reclassifications:								
F Debt related to unspent proceeds	(708,831)						708,831	0
Net asset balances (Exhibit 1)	0	375,940	238,054	472,846	258,040	(1,324,350)	68,579	89,109

Explanations:

- A** Accrued interest is a current liability that will be paid from the debt service funds. Therefore, the liability should reduce the "restricted for debt service" net assets balance.
- B** The fines receivable adjustment is for fines that had accrued at year end but were not available to liquidate liabilities incurred in the funds at year end.
- C** Assets in the internal service funds are not restricted; therefore, the balance should be allocated to the unrestricted and capital assets components, as appropriate.
- D** Capital assets, net of depreciation, are a key element of the invested in capital assets, net of related debt component.
- E** Long-term debt that is capital-related is included in the calculation of the invested in capital assets, net of related debt component. When capital assets are not acquired by the issuing government, the effect of the noncapital debt is reflected in the unrestricted net assets component of the government's net assets. Capital debt and non-capital debt (unrestricted) consists of the following:

	Unrestricted	Capital-Related
Hospital construction bond	150,000	
Various road & bridge bond issues		4,060,000
Quality Foods MBIA bond	1,750,000	
Various equipment capital lease obligations		425,256
Compensated absences liability	69,025	
Totals	1,969,025	4,485,256

- F** The unspent portion of capital debt reduces the net asset balance of the component that includes the unspent cash. In this situation, cash less related liabilities is restricted for capital projects. This is the amount that the county has determined is unspent.

Schedule to Reconcile Modified Accrual Expenditures to Full-Accrual Expenses

Functions/Programs	Modified Accrual Expenditures	Capital Outlay Expenditures	Depreciation Expense	Debt Principal Repayments	Net Change in Compensated Absenses	Accrued Interest on Bonds	ISF Activity Eliminations	Full Accrual Expenses
Primary government:								
Governmental activities:								
General government	1,883,577	(47,412)	122,372		1,000		(20,428)	1,939,109
Public safety	1,384,203	(39,510)	61,185		1,000		(8,171)	1,398,707
Public works	1,574,079	(71,119)	224,349		500		(12,256)	1,715,553
Health and welfare	188,605							188,605
Culture and recreation	157,326							157,326
Conser. of natural resources	71,234							71,234
Economic development	1,381,396							1,381,396
Debt service:								0
Principal	864,513			(864,513)				0
Interest	302,240					(4,274)		297,966
Capital outlay	982,021	(982,021)						0
Total governmental activities	8,789,194	(1,140,062)	407,906	(864,513)	2,500	(4,274)	(40,855)	7,149,896

APPENDIX B

Templates on Basic Financial Statements

TEMPLATE FOR STATEMENT OF NET ASSETS				
	Fund numbers	Fund numbers		
	included in the	included in the	General ledger objective	
Accounts as listed on the	Governmental	Business-Type	numbers included in the	
Statement of Net Assets	Activities Column	Activities Column	account balances	
ASSETS				
Cash and investments	001-399, 500-599	400-499	001-017	
Cash with fiscal agent	001-399, 500-599	400-499	018	
Accrued interest receivable	001-399, 500-599	400-499	019	
Property tax receivable	001-399, 500-599	400-499	020	
Accounts receivable, net	001-399, 500-599	400-499	021 less 022	
Fines receivable, net	001-399, 500-599	400-499	023 less 024	
Loans receivable	001-399, 500-599	400-499	025	
Capital lease receivable	001-399, 500-599	400-499	026	
Intergovernmental receivables	001-399, 500-599	400-499	050	
Other receivables	001-399, 500-599	400-499	051-052	
(1) Internal balances	001-399, 500-599	400-499	054,055,056 and 149,150,151	
Prepaid expenses	001-399, 500-599	400-499	065-069	
Inventories	001-399, 500-599	400-499	070-074	
Restricted assets	001-399, 500-599	400-499	075-079	
Capital assets, net	001-399, 500-599	400-499	080-099	A
Total assets				
LIABILITIES				
Claims payable	001-399, 500-599	400-499	100	
Liabilities payable from restricted assets	001-399, 500-599	400-499	103	
Retainage payable	001-399, 500-599	400-499	107	
Intergovernmental payables	001-399, 500-599	400-499	113-148	
Matured bonds and interest payable	001-399, 500-599	400-499	152	
Accrued interest payable	001-399, 500-599	400-499	153	
Deferred revenue	001-399, 500-599	400-499	154-158	
Other payables	001-399, 500-599	400-499	159-160	
(2) Long-term liabilities				
Due within one year:			161	
Capital-related debt	001-399, 500-599	400-499	165-167,169,172-173	B
			(portions due within one year)	
Non-capital debt	001-399, 500-599	400-499	162-164,168,170-171,174-175	
			(portions due within one year)	
Total due within one year				
Due in more than one year:			176	
Capital-related debt	001-399, 500-599	400-499	180-182,184,187-188	B
			(portions due in more than one year)	
Non-capital debt	001-399, 500-599	400-499	177-179,183,185-186,189	
			(portions due in more than one year)	
Total due in more than one year				
Total liabilities				
NET ASSETS				
Invested in capital assets, net of related debt			Both activity columns use this net asset component.	A - B
Restricted net assets:				
Expendable:				
General government	025-028,096,108-112		190-198	
Debt service	200-299		190-198	
Public safety	029-044,097,103,106 113-124		190-198	
Public works	045-060,098,100,105 150-189		190-198	
Health and welfare	061-066,125-128		190-198	
Culture and recreation	067-072,095,099 129-132		190-198	
Conservation and natural resources	073-078,102,133-136		190-198	
Economic development	079-094,101,137-149		190-198	
Unemployment compensation	107		194	
Capital projects	300-389		190-198 (reduced by any unspent capital debt proceeds)	
Other purposes	104,190-199		190-198	
Nonexpendable	390-399		190-198	
Unrestricted	001-024; 500-599	400-499	190-198	
Total net assets				
(1) Internal balances consists only of interfund receivable/payable balances existing at year-end between the governmental funds reported in the Governmental Activities Column and the enterprise funds reported in the Business-Type Activities column. All other interfund receivable/payable balances are eliminated and therefore are not reported on this statement.				
(2) Long-term liabilities should be presented on the statement with subtotals for amounts "Due within one year" and "Due in more than one year." The additional break-down shown above for "Capital-related debt" and "Non-capital debt" will not be shown for presentation but is necessary to compute the net asset amount: "Invested in capital assets, net of related debt." Therefore, it will be necessary to establish a separate debt service fund for each individual debt issued.				

		TEMPLATE FOR STATEMENT OF ACTIVITIES						
		Program Revenues				Net (Expense) Revenue and Changes		
					in Net Assets			
			Operating	Capital		Business-		
		Charges for	Grants and	Grants and	Governmental	Type		
Functions/Programs	Expenses	Services	Contributions	Contributions	Activities	Activities	Total	
Primary government:								
Governmental Activities:								
General government	100-199	211-214, 216-237 324	240,268, 306	247,275,313				
Public safety	200-299	215,238, 321,322 325	241,265,269 289, 307	248,276,314				
Public works	300-399	320,326	242,270,290 308,282-283	239,249 263,277,315				
Health and welfare	400-499		243,261 264,271 309	250,278,316				
Culture and recreation	500-549		244,272,310	251,279,317				
Education	550-599							
Cons. of natural resources	600-649	328	245,273,311	252,280,318				
Econo. develop. and assist.	650-699	329	246,274,312	253,281,319				
Interest on long-term debt	800							
Total governmental activities	xxxx	xxxx	xxxx	xxxx	xxxx			xxxx
Business-Type Activities:								
Name of activity, such as solid waste	Sum of all expenses for that activity	320-322, 324-329	254, 294	255, 295				
Total business-type activities	xxxx	xxxx	xxxx	xxxx		xxxx		xxxx
Total primary government	xxxx	xxxx	xxxx	xxxx		xxxx		xxxx
	General revenues							
	Taxes:							
	Property taxes				200-209	200-209		
	Road and bridge privilege taxes				210			
	Grants and contributions not restricted to specific programs				262, 266-267, 284-288, 291-293 296-297, 300-305			
	Unrestricted gifts and donations				298-299	298-299		
	Unrestricted investment income				330	330		
	Miscellaneous				331-378	331-378		
	Contributions to permanent funds				379			
	Special item-(give description)				390-394, 960-979	390-394 960-979		
	Extraordinary item-(give description)				395-399, 980-999	395-399 980-999		
	Transfers				388, 952	387, 951	See Note	
	Total general revenues, special item, extraordinary item, and transfers					xxxx		xxxx
	Change in net assets					xxxx		xxxx
	Net assets - beginning					xxxx		xxxx
	Net assets - ending					xxxx		xxxx
Note: Only transfers between Governmental Activities (i.e., governmental funds and internal service funds) and Business-Type Activities (i.e., enterprise funds) should be reported as the last line in the statement before "Change in net assets." Transfers between governmental funds and transfers between enterprise funds should not be reported on this statement.								

TEMPLATE FOR BALANCE SHEET - GOVERNMENTAL FUNDS						
					Other	Total
					Govern-	Govern-
Accounts listed on the balance sheet for governmental funds	Fund Numbers	Objective Numbers	Major Fund	Major Fund	mental Funds	mental Funds
ASSETS						
Cash and investments	001-399	001-017				
Cash with fiscal agent	001-399	018				
Accrued interest receivable	001-399	019				
Property tax receivable	001-399	020				
Fines receivable	001-399	023				
Loans receivable	001-399	025				
Capital lease receivable	001-399	026				
Intergovernmental receivables	001-399	050				
Other receivables	001-399	051-052				
Due from other funds	001-399	054-055				
Advances to other funds	001-399	056				
Inventories	001-399	070-074				
Total assets			xxxx	xxxx	xxxx	xxxx
LIABILITIES AND FUND BALANCES						
Liabilities:						
Claims payable	001-399	100				
Retainage payable	001-399	107				
Intergovernmental payables	001-399	113-148				
Due to other funds	001-399	149-150				
Advances from other funds	001-399	151				
Matured bonds and interest payable	001-399	152				
Deferred revenue	001-399	154-158				
Other payables	001-399	159-160				
Total liabilities			xxxx	xxxx	xxxx	xxxx
Fund Balances:						
Reserved for:						
Advances	001-399	191				
Inventory	001-399	192				
Non-current assets	001-399	193				
Unemployment compensation	107	194				
Other	001-399	195-198				
Unreserved, reported in:						
General fund	001-049	190				
Special revenue funds	050-199	190				
Debt service funds	200-299	190				
Capital project funds	300-389	190				
Permanent funds	390-399	190				
Total fund balances			xxxx	xxxx	xxxx	xxxx
Total liabilities and fund balances			xxxx	xxxx	xxxx	xxxx

TEMPLATE FOR STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS						
					Other	Total
Accounts listed on the statement of revenues, expenditures and changes in fund balances - governmental funds	Fund Numbers	Objective Account Numbers	Major Fund	Major Fund	Govern- mental Funds	Govern- mental Funds
REVENUES						
Property taxes	001-399	200-209				
Road and bridge privilege taxes	001-399	210				
Licenses, commissions and other revenue	001-399	211-229				
Fines and forfeitures	001-399	230-238				
Special assessments	001-399	239				
Contributions to permanent funds	001-399	379				
Intergovernmental revenues	001-399	240-319				
Charges for services	001-399	320-329				
Interest income	001-399	330				
Miscellaneous revenues	001-399	331-378				
Total revenues			xxxx	xxxx	xxxx	xxxx
	Fund	Dept.				
EXPENDITURES	Numbers	Numbers				
Current:						
General government	001-399	100-199				
Public safety	001-399	200-299				
Public works	001-399	300-399				
Health and welfare	001-399	400-499				
Culture and recreation	001-399	500-549				
Education	001-399	550-599				
Conservation of natural resources	001-399	600-649				
Economic development and assistance	001-399	650-699				
Debt service:	001-399	800				
Principal	001-399	800-801	(objective account numbers)			
Interest	001-399	802	(objective account number)			
Bond issue costs	001-399	803-899	(objective account numbers)			
Total expenditures			xxxx	xxxx	xxxx	xxxx
Excess (deficiency) of revenues over (under) expenditures			xxxx	xxxx	xxxx	xxxx
		Objective				
	Fund	Account				
OTHER FINANCING SOURCES (USES)	Numbers	Numbers				
Long-term debt issued	001-399	380-381				
Refunding bonds issued	001-399	382				
Proceeds from sales of capital assets	001-399	383				
Premium on bonds issued	001-399	384				
Compensation for Loss of Capital Assets	001-399	385				
Transfers in	001-399	387-388				
Transfers out	001-399	951-952				
Payment to bond refunding escrow agent	001-399	953				
Discount on bonds issued	001-399	954				
Total other financing sources and uses			xxxx	xxxx	xxxx	xxxx
SPECIAL ITEM (give description)	001-399	390-394 960-979	xxxx	xxxx	xxxx	xxxx
EXTRAORDINARY ITEM (give description)	001-399	395-399 980-999	xxxx	xxxx	xxxx	xxxx
Net change in fund balances			xxxx	xxxx	xxxx	xxxx
Fund balancesCbeginning	001-399	190-198	xxxx	xxxx	xxxx	xxxx
Prior period adjustment	001-399	199	xxxx	xxxx	xxxx	xxxx
Fund balancesCending	001-399		xxxx	xxxx	xxxx	xxxx

TEMPLATE FOR PROPRIETARY FUND STATEMENT OF NET ASSETS							
		Internal		Enterprise Funds			
	Enterprise	Service	Objective				Internal
Accounts listed on the proprietary fund statement of net assets	Fund	Fund	Account	Major	Other		Service
	Numbers	Numbers	Numbers	Fund	Funds	Total	Funds
ASSETS							
Current assets:							
Cash and investments	400-499	500-599	001-017				
Cash with fiscal agent	400-499	500-599	018				
Accrued interest receivable	400-499	500-599	019				
Property tax receivable	400-499	500-599	020				
Intergovernmental receivables	400-499	500-599	050				
Accounts receivable, net	400-499	500-599	021 less 022				
Other receivables	400-499	500-599	051-052				
Due from other funds	400-499	500-599	054-055				
Advances to other funds	400-499	500-599	056				
Inventories	400-499	500-599	070-074				
Total current assets				xxxx	xxxx	xxxx	xxxx
Noncurrent assets:							
Loans receivable	400-499	500-599	025				
Capital lease receivable	400-499	500-599	026				
Prepaid expenses	400-499	500-599	065-069				
Restricted assets	400-499	500-599	075-079				
Capital assets, net	400-499	500-599	080-099				A
Total noncurrent assets				xxxx	xxxx	xxxx	xxxx
LIABILITIES							
Current liabilities:							
Claims payable	400-499	500-599	100				
Retainage payable	400-499	500-599	107				
Intergovernmental payables	400-499	500-599	113-148				
Due to other funds	400-499	500-599	149-150				
Advances from other funds	400-499	500-599	151				
Accrued interest payable	400-499	500-599	153				
Deferred revenue	400-499	500-599	154-156				
Other payables	400-499	500-599	159-160				
Current portions of long-term capital-related debt:							
Road equipment notes payable	400-499	500-599	165				B
Capital leases payable	400-499	500-599	166				B
Current portions of other long-term liabilities	400-499	500-599	169, 172-173				B
Current portions of long-term non-capital debt:							
Compensated absences payable	400-499	500-599	163				
Claims and judgments payable	400-499	500-599	164				
Current portions of other long-term liabilities	400-499	500-599	174-175				
Total current liabilities				xxxx	xxxx	xxxx	xxxx
Noncurrent liabilities:							
Liabilities payable from restricted assets	400-499	500-599	103				
Deferred revenue	400-499	500-599	157-158				
Capital-related debt:							
Road equipment notes payable	400-499	500-599	180				B
Capital leases payable	400-499	500-599	181				B
Other long-term liabilities	400-499	500-599	184, 187-188				B
Non-capital debt:							
Compensated absences payable	400-499	500-599	178				
Claims and judgments payable	400-499	500-599	179				
Other long-term liabilities	400-499	500-599	189				
Total noncurrent liabilities				xxxx	xxxx	xxxx	xxxx
NET ASSETS							
Invested in capital asset, net of related debt							A - B
Unrestricted	400-499	500-599	190				
Total net assets				xxxx	xxxx	xxxx	xxxx

TEMPLATE FOR PROPRIETARY FUND STATEMENT OF REVENUES							
EXPENSES, AND CHANGES IN NET ASSETS							
		Internal		Enterprise Funds			
Accounts listed on the proprietary fund statement of revenues, expenses, and changes in net assets	Enterprise Fund Numbers	Service Fund Numbers	Objective Account Numbers	Major Fund	Other Funds	Totals	Internal Service Funds
OPERATING REVENUES							
Charges for services	400-499	500-599	320-322, 324-329				
Premium charges		500-599	323				
Total operating revenues				xxxx	xxxx	xxxx	xxxx
OPERATING EXPENSES							
Personal services	400-499	500-599	400-499				
Contractual services	400-499	500-599	500-599				
Consumable supplies and materials	400-499	500-599	600-699				
Depreciation expense	400-499	500-599	940				
Bad debt expense	400-499	500-599	942				
Total operating expenses				xxxx	xxxx	xxxx	xxxx
Operating income (loss)				xxxx	xxxx	xxxx	xxxx
NONOPERATING REVENUES (EXPENSES)							
Property taxes	400-499	500-599	200-204				
Operating grants	400-499	500-599	254,292,294				
Gifts and donations	400-499	500-599	298-299				
Interest income	400-499	500-599	330				
Gain on sale of capital assets	400-499	500-599	335				
Miscellaneous revenue	400-499	500-599	331-334, 336-378				
Interest expense	400-499	500-599	802				
Loss on sale of capital assets	400-499	500-599	941				
Other expenses	400-499	500-599	803-804,945-950				
Total nonoperating revenues (expenses)				xxxx	xxxx	xxxx	xxxx
Income (loss) before capital contributions, special and extraordinary items, and transfers				xxxx	xxxx	xxxx	xxxx
CAPITAL CONTRIBUTIONS	400-499	500-599	255,293,295				
SPECIAL ITEM (give description)	400-499	500-599	390-394,				
EXTRAORDINARY ITEM (give description)	400-499	500-599	395-399,				
TRANSFERS IN	400-499	500-599	387-388				
TRANSFERS OUT	400-499	500-599	951-952				
Change in net assets				xxxx	xxxx	xxxx	xxxx
Total net assetsCbeginning	400-499	500-599	190, 195-198	xxxx	xxxx	xxxx	xxxx
Prior period adjustment	400-499	500-599	199	xxxx	xxxx	xxxx	xxxx
Total net assetsCending	400-499	500-599		xxxx	xxxx	xxxx	xxxx

TEMPLATE FOR STATEMENT OF FIDUCIARY NET ASSETS				
Accounts as listed on the statement of fiduciary net assets	Fund Numbers	Objective Numbers	Private-Purpose Trust Funds	Agency Funds
ASSETS				
Cash and investments	600-699	001-017		
Accrued interest receivable	600-699	019		
Intergovernmental receivables	600-699	050		
Other receivables	600-699	051-052		
Total assets			xxxx	xxxx
LIABILITIES				
Claims payable and other accrued liabilities	600-699	100,104-106 159-160		
Intergovernmental payables	600-699	113-148		
Total liabilities			xxxx	xxxx
NET ASSETS				
Held in trust for:				
Individuals, organizations, and other governments	600-699	190		
Total net assets			xxxx	0
TEMPLATE FOR STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS				
Accounts as listed on the statement of changes in fiduciary net assets	Fund Numbers	Objective Numbers	Private-Purpose Trust Funds	
ADDITIONS				
Contributions:				
Gifts, bequests, and endowments	600-649	298-299		
Investment income:				
Interest and dividends	600-649	330		
Total Additions			xxxx	
DEDUCTIONS				
Administrative expense	600-649	400-499		
Payments in accordance with trust agreements	600-649	944		
Total Deductions			xxxx	
Change in net assets held in trust for:				
Individuals, organizations, and other governments				
			xxxx	
Net assets - beginning	600-649	190	xxxx	
Net assets - ending	600-649		xxxx	

APPENDIX C

Capital Asset Thresholds, Useful Lives, and Salvage Values for County Governments

Legal Compliance Threshold: \$500

* Exceptions are listed in the Capital Assets Manual.

Capitalization Thresholds:

Land	N/A
Infrastructure	N/A
Furniture, Vehicles, & Equipment	\$ 5,000
Improvements other than Buildings	\$25,000
Buildings	\$50,000

Useful Lives:

Computer Equipment & Peripherals	3 years
Vehicles and Equipment	5 years
Heavy Equipment (backhoes, dozers, front-end loaders, tractors, etc)	10 years
Furniture and Fixtures	7 years
Improvements other than Buildings	20 years
Buildings	40 years
Infrastructure:	
Roads	20 years
Concrete bridges	50 years
Timber bridges	30 years

Note Capital assets are to be depreciated using the straight-line method of depreciation.
A full year's depreciation expense should be taken for all purchases and sales of capital assets during the fiscal year.

Salvage Values

Computer Equipment	1 %
Furniture	10%
Vehicles and Heavy Equipment	10%
Improvements other than Buildings	20%
Buildings	20%
Roads	30%
Bridges	0%

APPENDIX D

INFRASTRUCTURE COSTS FROM YEARS 1980 THROUGH 2001

ROADS (per lane mile)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Paved (State Aid)	\$93,002	\$102,595	\$108,916	\$112,415	\$117,269	\$121,445	\$123,702	\$128,217	\$133,521	\$139,955	\$147,517
Unpaved (State Aid)	\$58,126	\$64,122	\$68,073	\$70,260	\$73,293	\$75,903	\$77,314	\$80,135	\$83,451	\$87,472	\$92,198
Paved (Non-State Aid)	\$44,176	\$48,733	\$51,735	\$53,397	\$55,703	\$57,686	\$58,758	\$60,903	\$63,423	\$66,478	\$70,071
Unpaved (Non-State Aid)	\$39,526	\$43,603	\$46,290	\$47,777	\$49,839	\$51,614	\$52,573	\$54,492	\$56,747	\$59,481	\$62,695

ROADS (per lane mile)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Paved (State Aid)	\$153,725	\$158,352	\$163,093	\$167,269	\$172,009	\$177,088	\$181,151	\$183,973	\$188,036	\$194,470	\$200,000
Unpaved (State Aid)	\$96,078	\$98,970	\$101,933	\$104,543	\$107,506	\$110,680	\$113,220	\$114,983	\$117,523	\$121,543	\$125,000
Paved (Non-State Aid)	\$73,019	\$75,217	\$77,469	\$79,453	\$81,704	\$84,117	\$86,047	\$87,387	\$89,317	\$92,373	\$95,000
Unpaved (Non-State Aid)	\$65,333	\$67,300	\$69,314	\$71,089	\$73,104	\$75,262	\$76,989	\$78,188	\$79,915	\$82,650	\$85,000

BRIDGES (per sq. ft.)

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Concrete (State Aid)	\$20.93	\$23.08	\$24.51	\$25.29	\$26.39	\$27.33	\$27.83	\$28.85	\$30.04	\$31.49	\$33.19
Concrete (Non-State Aid)	\$18.60	\$20.52	\$21.78	\$22.48	\$23.45	\$24.29	\$24.74	\$25.64	\$26.70	\$27.99	\$29.50
Timber (Non-State Aid)	\$13.95	\$15.39	\$16.34	\$16.86	\$17.59	\$18.22	\$18.56	\$19.23	\$20.03	\$20.99	\$22.13

BRIDGES (per sq. ft.)

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Concrete (State Aid)	\$34.59	\$35.63	\$36.70	\$37.64	\$38.70	\$39.84	\$40.76	\$41.39	\$42.31	\$43.76	\$45.00
Concrete (Non-State Aid)	\$30.74	\$31.67	\$32.62	\$33.45	\$34.40	\$35.42	\$36.23	\$36.79	\$37.61	\$38.89	\$40.00
Timber (Non-State Aid)	\$23.06	\$23.75	\$24.46	\$25.09	\$25.80	\$26.56	\$27.17	\$27.60	\$28.21	\$29.17	\$30.00

APPENDIX E

Classification of General Revenues and Program Revenues

CLASSIFICATION OF GENERAL REVENUES	
Objective Account Number	Description of Revenue
200-209	Property tax
210	Road and bridge privilege tax
262	Reimbursement of homestead exemption
266	Rental car tax
267	Rail car tax
284	Oil severance tax
285	Gas severance tax
286	Timber severance tax
287	Salt severance tax
288	Liquor privilege tax
291	Federal/State payments in lieu of tax
292	Grand Gulf distribution
293	Gaming Revenues (may be restricted)
296-297	Other unrestricted state grants
298-299	Unrestricted gifts and donations
300-305	Unrestricted local grants and other sources
330	Interest income
331	Miscellaneous Revenues - Interest on leases

CLASSIFICATION OF GENERAL REVENUES	
Objective Account Number	Description of Revenue
332	Miscellaneous Revenues - Rents
333	Miscellaneous Revenues - Royalties
334	Miscellaneous Revenues - Oil and mineral leases
335	Gain on sale of capital assets
336	Sales income
337	Copying and reproduction
338	Refund of prior year expenditures
339	Judgments recovered
340	Refunds
341	Cancelled warrants
342-378	Other (small) miscellaneous revenues

CLASSIFICATION OF PROGRAM REVENUES			
Description of Revenue	Program Revenue Classification	Objective Account No.	Department Expenditure to be Netted Against
Local privilege licenses	Charges for services	211	General government
Chancery clerk fees	Charges for services	212	General government
Circuit clerk fees	Charges for services	213	General government
Tax collector fees	Charges for services	214	General government
Sheriff fees	Charges for services	215	Public safety
Justice court clerk fees	Charges for services	216	General government
Printer/publication fees	Charges for services	217	General government
Mailing fees	Charges for services	218	General government
Building permits	Charges for services	219	General government
Law library fees	Charges for services	220	General government
Mobile home reg. fees	Charges for services	221	General government
Other licenses, commissions and fees	Charges for services	222-229	General government
Justice court fines	Charges for services	230	General government
Chancery court fines	Charges for services	231	General government
Circuit court fines	Charges for services	232	General government
County court fines	Charges for services	233	General government
Youth court fines	Charges for services	234	General government
Litter fines	Charges for services	235	General government
Other court fines	Charges for services	236	General government
Bond forfeitures	Charges for services	237	General government
Sale of confiscated property / Cash Forfeitures	Charges for services	238	Public Safety

CLASSIFICATION OF PROGRAM REVENUES			
Description of Revenue	Program Revenue Classification	Objective Account No.	Department Expenditure to be Netted Against
Special assessments	Capital grants	239	Public works
Restricted federal grants	Operating grants	240	General government
Restricted federal grants	Operating grants	241	Public safety
Restricted federal grants	Operating grants	242	Public works
Restricted federal grants	Operating grants	243	Health and welfare
Restricted federal grants	Operating grants	244	Culture and recreation
Restricted federal grants	Operating grants	245	Cons. of natural resources
Restricted federal grants	Operating grants	246	Economic development
Restricted federal grants	Capital grants	247	General government
Restricted federal grants	Capital grants	248	Public safety
Restricted federal grants	Capital grants	249	Public works
Restricted federal grants	Capital grants	250	Health and welfare
Restricted federal grants	Capital grants	251	Culture and recreation
Restricted federal grants	Capital grants	252	Cons. of natural resources
Restricted federal grants	Capital grants	253	Economic development
Restricted federal grants for enterprise funds	Operating grants	254	Identified with a specific enterprise activity
Restricted federal grants for enterprise funds	Capital grants	255	Identified with a specific enterprise activity
Reimb. for food stamps/welfare	Operating grants	261	Health and welfare
Reimb. for state aid roads	Capital grants	263	Public works
Reimb. for distribution of commodities	Operating grants	264	Health and welfare

CLASSIFICATION OF PROGRAM REVENUES			
Description of Revenue	Program Revenue Classification	Objective Account No.	Department Expenditure to be Netted Against
Reimb. for emergency management funds	Operating grants	265	Public safety
Restricted state grants	Operating grants	268	Public safety
Restricted state grants	Operating grants	269	General government
Restricted state grants	Operating grants	270	Public safety
Restricted state grants	Operating grants	271	Public works
Restricted state grants	Operating grants	272	Culture and recreation
Restricted state grants	Operating grants	273	Cons. & natural resources
Restricted state grants	Operating grants	274	Economic development
Restricted state grants	Capital grants	275	General government
Restricted state grants	Capital grants	276	Public safety
Restricted state grants	Capital grants	277	Public works
Restricted state grants	Capital grants	278	Health and welfare
Restricted state grants	Capital grants	279	Culture and recreation
Restricted state grants	Capital grants	280	Cons. & natural resources
Restricted state grants	Capital grants	281	Economic development
Motor vehicle fuel tax	Operating grants	282	Public works
Motor vehicle licenses	Operating grants	283	Public works
Insurance premium tax	Operating grants	289	Public safety
National forest distribution	Operating grants	290	Public works (1/2 required to be given to schools)
Restricted state grants for enterprise funds	Operating grants	294	Identified with a specific enterprise activity

CLASSIFICATION OF PROGRAM REVENUES			
Description of Revenue	Program Revenue Classification	Objective Account No.	Department Expenditure to be Netted Against
Restricted state grants for enterprise funds	Capital grants	295	Identified with a specific enterprise activity
Restricted local grants	Operating grants	306	General government
Restricted local grants	Operating grants	307	Public safety
Restricted local grants	Operating grants	308	Public works
Restricted local grants	Operating grants	309	Health and welfare
Restricted local grants	Operating grants	310	Culture and recreation
Restricted local grants	Operating grants	311	Cons. and natural res.
Restricted local grants	Operating grants	312	Economic development
Restricted local grants	Capital grants	313	General government
Restricted local grants	Capital grants	314	Public safety
Restricted local grants	Capital grants	315	Public works
Restricted local grants	Capital grants	316	Health and welfare
Restricted local grants	Capital grants	317	Culture and recreation
Restricted local grants	Capital grants	318	Cons. and natural res.
Restricted local grants	Capital grants	319	Economic development
Garbage fees (reported in a governmental fund)	Charges for services	320	Public works
Reimbursement for housing prisoners	Charges for services	321	Public safety
911 emergency service fees	Charges for services	322	Public safety
Premium charges (reported in an internal service fund)	Charges for services	323	Identified with a specific internal service activity

CLASSIFICATION OF PROGRAM REVENUES			
Description of Revenue	Program Revenue Classification	Objective Account No.	Department Expenditure to be Netted Against
Other charges for services	Charges for Services	324	General government
Other charges for services	Charges for Services	325	Public safety
Other charges for services	Charges for Services	326	Public works
Other charges for services	Charges for Services	327	Culture and recreation
Other charges for services	Charges for Services	328	Conservation and natural resources
Other charges for services	Charges for Services	329	Economic development

APPENDIX F

Definitions of Selected Terms

Following are brief definitions of selected terms used in the financial reporting model required by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management Discussion and Analysis—for State and Local Governments*.

Basis of accounting—When the effects of transactions or events are recognized for financial reporting purposes. For example, the effects of transactions or events can be recognized on an accrual basis (when the underlying transactions or events take place) or on a cash basis (when cash is received or paid).

Business-type activities—Activities financed wholly or partially by fees charged to external parties for goods or services and usually reported in enterprise funds.

Capital assets—Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, furniture and equipment, infrastructure, and all other tangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

Current financial resources measurement focus—Measurement focus according to which the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable (spendable) financial resources. The current financial resources measurement focus is used solely for reporting the financial position and results of operations of governmental funds.

Direct expenses—Expenses that are specifically associated with a service, program, or department and thus clearly identifiable to a particular service, function or department.

Economic resources measurement focus—Measurement focus under which the aim of a set of financial statements is to report all inflows, outflows, and balances affecting or reflecting an entity's net assets. The economic resources measurement focus is used for proprietary and fiduciary funds, as well as for government-wide financial reporting.

Expenditures—Decreases in net financial resources under the current financial resources measurement focus not properly classified as *other financing uses*.

Extraordinary items—Transactions or other events that are both (1) unusual in nature and (2) infrequent in occurrence and are not under the control of management.

General revenues—All revenues that do not qualify as program revenues, including all taxes.

Governmental activities—Activities generally financed through taxes, intergovernmental revenues, and other nonexchange revenues and usually reported in governmental and internal service funds.

Indirect expenses—Expenses related to a function (or some lower classification level presented in the statement of activities) that are not direct expenses. For example, the general government function includes expenses that are, in essence, indirect expenses of other functions.

Invested in capital assets, net of related debt—A component of net assets that consists of capital assets, reduced by accumulated depreciation and by any outstanding debt incurred to acquire, construct, or improve those assets.

Major fund—A governmental fund or enterprise fund reported as a separate column in the basic fund financial statements. The general fund is always a major fund. Otherwise, major funds are funds whose revenues, expenditures / expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item. Any other governmental or enterprise fund may be reported as a major fund if the government's officials believe that fund is particularly important to financial statement users.

Measurement focus—What is being expressed in reporting an entity's financial performance and position. A particular measurement focus is accomplished by considering not only which resources are measured, but also when the effects of transactions or events involving those resources are recognized (the basis of accounting).

Management's discussion and analysis—A component of required supplementary information used to introduce the basic financial statements and provide an analytical overview of the government's financial activities.

Net assets—The difference between assets and liabilities.

Net assets format—A format for the statement of financial position that displays assets less liabilities equal net assets.

Net (expense) revenue—The expenses of functions or departments presented in the statement of activities, reduced by program revenues relating to those functions or departments.

Program revenues—Revenues that (1) originate from the program or from parties other than the government's taxpayers or citizens as a whole and (2) reduce the expenses of the function or department that has to be financed by general revenues.

Requirement supplementary information—Statements, schedules, statistical data or other information that the GASB has determined to be necessary to supplement, although not required to be a part of, the basic financial statements.

Restricted net assets—A component of net assets that represents limitations on net asset use that are either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (2) imposed by the government’s own constitutional provisions or enabling legislation.

Segment—An activity that has outstanding revenue bonds or other revenue-backed debt and that is reported as or within an enterprise fund or a stand-alone entity that uses enterprise fund accounting and reporting standards. A segment has a specific identifiable revenue stream pledged in support of its debt and has related assets, liabilities, expenses, gains, and losses that can be identified.

Special items—Significant transactions or other events within the control of management that are either (1) unusual in nature or (2) infrequent in occurrence.

Unrestricted net assets—A component of net assets that includes all net assets that do not meet the definition of either “invested in capital assets, net of related debt” or “restricted net assets.”

SECTION E

PRESCRIBED SYSTEMS

INTRODUCTION

The Office of the State Auditor is granted authority and charged with responsibility of establishing accounting and operating systems for county governments in Mississippi. Section 7-7-211, Mississippi Code Annotated (1972), provides the legal basis:

The department shall have the power and it shall be its duty:

- (b) To prescribe, for all public offices of regional and local subdivisions of the state, systems of accounting, budgeting and reporting financial facts relating to said offices in conformity with legal requirements and with generally accepted accounting principles as promulgated by nationally recognized professional organizations . . . [and] to revise such systems when deemed necessary . . .

Prescribed systems for accounting and other functions are presented in Section E of this manual. These systems conform with Section 7-7-211 and are prescribed for all county governments pursuant to Section 7-7-211. Section B of this manual presents the prescribed system for budgeting. This manual does not include all prescribed requirements for county government, but does include the foundation of budgeting and accounting systems. The Office of the State Auditor may issue prescribed systems and requirements independently of this manual.

The rationale for prescribing systems for county government is founded in a desire for good, responsive government, progressive operation and common sense. Prescribed systems provide efficient and adequate record keeping and insure certain relevant information will be available to taxpayers in each county. Conformity with generally accepted accounting principles and efficiency in time and cost of auditing are also benefits of prescribed systems. Uniformity of information between counties allows comparison of county operations.

Systems prescribed in Section E are basic and necessary for counties. In addition to mandatory requirements, Section E lays the groundwork for discretionary systems used to enhance the quality of operations and reportable data.

ELECTRONIC DATA PROCESSING (EDP) SYSTEMS

Electronic data processing systems, usually referred to as EDP or computer systems, are the prevalent form of information management in Mississippi county government. Systems provided in this section are designed for manually maintained records. However, formats and procedures necessary for manual operation are not always necessary or relevant to an EDP system which requires its own procedures.

Because of the variant nature of these methods of recording data, different requirements are set forth for EDP systems. An EDP system typically requires information to be entered one time and then manipulates this information into any desired format. Due to this instantaneous posting of information, *it is not necessary* for a county with an EDP system to maintain a Cash Receipts Journal or a Cash Disbursements Journal. Also, *it is not necessary* for an EDP system to reproduce the exact formats presented in this manual. **HOWEVER, THE SAME INFORMATION MUST BE PRESENTED IN A LOGICAL FORMAT.** It is critical an EDP system present the same information required in this section. Although formats for EDP systems are not being prescribed, they must be logical and correct.

Sections 75-12-1 through 75-12-39, Mississippi Code Ann. (1972), establish regulations over electronic records and electronic signatures relating to a transaction.

Every county using an EDP system should be aware of the necessity for adequate internal controls. Computers and their programs are subject to manipulation by knowledgeable persons. These systems should have effective controls such as password access, batch or hash totals, and limited access to tapes and storage files. Every EDP system should include a written disaster recovery plan which includes access to compatible hardware and software, and should include **offsite** storage of backup computer files. *Offsite* means in a protected area of a separate building. Schools, libraries and hospitals are usually willing to participate in a reciprocal offsite storage plan. A bank safety deposit box is also an alternative.

RECEIPT WARRANTS

All cash collections must be documented by the issuance of receipt warrants. Receipt warrants must be pre-numbered and accounted for; provide space for date issued, amount of money received, from whom money was received, to what funds money was deposited, purpose of money received and signature of official who issued the receipt warrant. The receipt warrant must also contain sufficient copies to provide for a county record and a copy for the person(s) or entity who paid the money. Other copies may be necessary, depending upon the needs of the county's total accounting system.

CASH RECEIPTS JOURNAL

The Cash Receipts Journal illustrated on the following pages is a journal of original entry. Receipts are listed in numerical order as issued to show the date received, receipt number, payor and the fund to which the cash is recorded. The amount should be recorded in both the Cash Debit column and the credit column matching the objective number used for the cash. The Cash Receipts Journal is summarized at the end of every month by fund, showing the total for each objective number in that fund. These amounts should be posted to either the General Ledger or the Cash Receipts Ledger. *A county using an EDP system is not required to maintain a Cash Receipts Journal.*

CASH RECEIPTS JOURNAL

_____ County _____ Month, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

[illegible]

CASH DISBURSEMENTS JOURNAL

The Cash Disbursements Journal illustrated on the following pages is a journal of original entry. Disbursements are listed in check number order to show the date, check number, claim or voucher number and the payee. The amount should be recorded in both the Cash Credit column and the debit column matching the objective number used for the disbursement. The Cash Disbursements Journal is summarized at the end of every month by fund, showing the total for each department and objective number. These amounts should be posted to either the General Ledger or the Cash Disbursements Ledger. *A county using an EDP system is not required to maintain a Cash Disbursements Journal.*

CASH DISBURSEMENTS JOURNAL

Fund Type _____

Fund Name _____

Fund Number _____

County _____ Month, 20____

Prescribed by the Office of the State Auditor. Revised, effective October 1, 2002.

[illegible]

[illegible]

GENERAL JOURNAL

The General Journal illustrated on the following page is a journal of original entry. The General Journal is used to record transactions not involving cash received or disbursed by the county. Typically, these transactions are accounting entries or adjustments. They include the following:

- Opening the books and recording the beginning balance sheet
- Entries making adjustments and corrections necessary in accounts
- Entries involved in closing the books at the end of the year

Each General Journal entry must be explained and posted to the General Ledger at the end of each month. *A county using an EDP system is required to maintain a General Journal.*

GENERAL JOURNAL

_____ County _____ Month, 20____

Page No. _____

[illegible]

GENERAL LEDGER, CASH RECEIPTS LEDGER, CASH DISBURSEMENTS LEDGER, TRIAL BALANCE

Manual System

The accounting system prescribed for county government is a double-entry system illustrated by the ledgers on the following pages. Each month, summaries of the journals are posted to the ledgers. General Journal summary and balance sheet items are posted to the General Ledger. The Cash Receipt Journal summary of revenue items is posted to the Cash Receipt Ledger (balance sheet items, to the General Ledger). The Cash Disbursement Journal summary of expenditure items is posted to the Cash Disbursement Ledger (balance sheet items, to the General Ledger).

After ledgers have been posted each month, a trial balance by fund should be prepared. Debit and credit balances from the ledgers are listed on the Trial Balance form. Debit and credit columns are then totaled and must equal to prove the ledgers balance.

EDP System

An EDP system must be a double-entry system. Transactions are recorded in detail or in summary in the General Ledger, either directly or posted from journals or subsidiary ledgers. A Cash Receipts Ledger and Cash Disbursements Ledger are not required. A General Journal is required to be maintained in an EDP system to record adjustments.

A Cash Receipts Journal and Cash Disbursements Journal are not required. When these journals are not used, the General Ledger *must* include the source information (receipt numbers, dates, warrant number, claim number, payee/payor) appearing on the journals.

After the General Journal has been posted to the General Ledger, a Trial Balance by fund should be prepared. Debit and credit balances from the ledger are totaled and must equal to prove the ledger balances.

GENERAL LEDGER

Fund Type _____ County _____ Fund No. _____
Fund Name _____ Fiscal Year _____ Objective _____
Objective Account Name _____ Account No. _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

RECEIPTS LEDGER

Fund Type _____
Fund Name _____

County _____
Fiscal Year _____

Fund No. _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

	Revenue Objective Account Numbers										Month Total
	Credit	Credit	Credit	Credit	Credit	Credit	Credit	Credit	Credit		
October											
November											
December											
January											
February											
March											
April											
May											
June											
July											
August											
September											
Total											

DISBURSEMENTS LEDGER

Fund Type _____
 Fund Name _____
 Department _____

_____ County
 _____ Fiscal Year

Fund No. _____
 Dept. No. _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

	Expenditure Objective Account Numbers										Month Total
	Debit	Debit	Debit	Debit	Debit	Debit	Debit	Debit	Debit		
October											
November											
December											
January											
February											
March											
April											
May											
June											
July											
August											
September											
Total											

TRIAL BALANCE

_____ Fund
For the Month Ending _____

[illegible]

BANK RECONCILIATION

The cash balance on the monthly bank statement(s) will seldom agree with the cash balances on the General Ledger for the same time period because a time lag exists between the issuance of checks and the clearance of checks at the bank. Also, the bank may delay posting of deposits and bank charges. These differences must be reconciled monthly to determine bank balances are correct. Any adjustments made to the reconciliation must be adequately explained on the bottom of the form.

____ COUNTY

Bank Reconciliation

For the Month of _____

[illegible]

<p>Explanation of Adjustments: _____</p> <p>_____</p> <p>_____</p> <p>_____</p>

INVESTMENT SUBSIDIARY LEDGER

Section 19-9-29, Mississippi Code Annotated (1972), requires investment of funds in excess of the sums which will be required to meet the current needs and demands of no more than seven business days. This cash which is not needed immediately is invested according to guidelines in this Section.

No matter how limited a county's investment program may be, complete records must be maintained of the type of investment, where purchased, purchase and maturity dates, interest rates and yield, and source documents used for the transaction.

An investment ledger must be maintained by fund. Each time an investment is purchased, an entry is made in the ledger. The entry is completed as transactions related to the investment occur.

The basic entry to record a purchase of an investment is a debit to investments and a credit to cash. To record the redemption/sale of the investment the entry would be reversed by a debit to cash and a credit to investments. The balance of investments in the Investment Subsidiary Ledger will agree with the balance of investments in the General Ledger.

INVESTMENT SUBSIDIARY LEDGER

Fund Type _____
Fund Name _____

County
Fiscal Year

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

LONG-TERM DEBT LEDGERS

Long-term debt records are maintained for all debt with a maturity of more than one year after the date of issuance. The Bond Register on the following page is used to record all bond issues and to compare paid bonds and coupons with amounts due to be paid. Two ledgers are prescribed to summarize long-term debt, recognize current liabilities, prepare the budget and provide information for bond reports, and must be maintained in addition to the Bond Register.

The Long-Term Debt Control summarizes county debt. *General obligation bonds* are bonds to which the county has pledged its full faith and credit to guarantee, making the county fully liable for their payment. *Limited obligation bonds* are bonds for which the county and an enterprise share liability. *Road equipment notes* are notes whose proceeds are used to acquire road working equipment. *Other notes* are notes whose proceeds are used for purposes other than road working equipment. *Lease-purchases* are obligations arising from the acquisition of property by means of capital leasing. Revenue bonds are not included in general long-term debt because they are not a liability of the county. However, they should be recorded in the Bond Register.

The Long-Term Debt Amortization Schedule is a detailed listing of each debt issue. These schedules are used to prepare the Long-Term Debt Control.

Total Issue \$ _____
 Bonds Dated: Mo. _____ Day _____ 20____
 Maturities \$ _____
 Estimated Valuation \$ _____

COUPON BONDS OF _____
Semi-Annual Interest: Mo. _____ Day _____ and Mo. _____ Day _____
Optional _____
Assessed Valuation \$ _____ Total Bonded Debt \$ _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

_____, MISSISSIPPI Coupon Rate _____%

Amount Each Coupon \$_____ Payable at _____ Depository or at _____

Validated _____ Legal Approval (Attorney)_____

Minute Reference_____

[illegible]

LONG TERM DEBT CONTROL
ANNUAL REQUIREMENTS TO AMORTIZE LONG-TERM DEBT
_____ COUNTY

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.									
Year Ending September 30									
General Obligation Bonds									
Limited Obligation Bonds									
Road Equipment Notes									
Other Notes									
Lease-Purchases									

Bonds/Notes of _____ Original Amount of Issue \$ _____
 Payable at _____ Date _____
 Minute Book Reference _____ Legal Authority (Code Section) _____
 Description _____ Fund Name _____

Bonds/Notes of _____ Original Amount of Issue \$ _____
 Payable at _____ Date _____
 Minute Book Reference _____ Legal Authority (Code Section) _____
 Description _____ Fund Name _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

FIXED ASSETS

INTRODUCTION

Fixed assets are those assets of a long-term nature intended to be held or used by the county. This definition generally includes land, infrastructure, buildings, improvements other than buildings, equipment and furniture.

The importance of developing and maintaining a complete and accurate accounting of fixed assets cannot be emphasized too strongly. The county should recognize a great responsibility for custody of its assets. This protective custody cannot be accomplished without complete and accurate records.

A second reason for developing and maintaining complete and accurate fixed asset records is to allow for accurate financial reporting. The value of fixed assets for all local governments is substantial and usually far greater in value than current assets. When records are not adequate, an audit opinion will be *qualified* for fixed assets, which means the auditor does not have enough evidence to offer an opinion.

Capital assets are major assets that benefit more than a single fiscal period. By definition, any asset that benefits more than one fiscal period potentially could be classified as a capital asset. As a practical matter, however, counties should capitalize only their higher cost assets. Counties must also maintain adequate control over all assets, including lower cost capital assets. Therefore, different thresholds (dollar values) have been established for recording fixed assets for legal compliance purposes and capitalizing assets for reporting purposes.

Fixed Asset Ledgers are used to record detailed information about various assets, and are posted to the Fixed Asset Subsidiary Ledger. Fixed Asset Ledgers should contain the required data elements listed on E-39. All deletions of fixed assets, regardless of method, shall be entered on the minutes of the Board of Supervisors.

FIXED ASSET CLASSIFICATION

Governmental accounting pronouncements and the Office of the State Auditor recommend the following accounting classifications for fixed assets:

- Land
- Infrastructure
- Buildings
- Improvements Other Than Buildings
- Construction-in-Progress
- Mobile Equipment
- Other Furniture and Equipment
- Leased Property Under Capital Leases

These classifications are used to report fixed assets, and prescribed records are designed to provide this information. A discussion of each of these classifications follows:

Land

All land owned by the county is recorded at cost. If land is donated or if cost cannot be determined, it is recorded at fair value when acquired. Cost includes expenditures in connection with the purchase, including

- Purchase price
- Appraisal and negotiation fees
- Title search fees
- Surveying fees
- Cost of consents
- Payment of damage claims
- Clearing land for use
- Demolishing or removing structures
- Filing costs

All land is to be included in this classification regardless of its value for both legal compliance and reporting purposes. Right-of-way and easements are not considered land for purposes of this classification.

Infrastructure

Infrastructure includes long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems.

Acquisition cost for infrastructure includes the following expenditures:

- Construction costs (i.e. contract amounts, payroll, fringe benefits, rental value for equipment, etc.)
- Legal fees
- Engineering fees
- Right of way costs
- Payment of damage claims connected with construction
- Materials

All infrastructure is to be included in this classification regardless of its value for both legal compliance and reporting purposes. The straight line method should be used to calculate depreciation expense for roads based on a useful life of 20 years and a 30% salvage value. The straight line method should be used to calculate depreciation expense for concrete bridges based on a useful life of 50 years and no salvage value and timber bridges based on a 30 year useful life and no salvage value.

The Supervisor\Road Manager should prepare records throughout the year to document all costs of infrastructure that are to be capitalized. Items to be capitalized should include new roads or bridges, changes in types of roads (i.e. paving a gravel road) and improvements to existing infrastructure that either extends its useful life or increases its load capacity. These records should be prepared for each individual project. Projects that are constructed through the use of county owned equipment and county personnel should include at a minimum the information on forms E-41 and E-42. Projects that are constructed through the use of outside contractors should include at a minimum the information on forms E-43 and E-44. State Aid Road Projects should include at a minimum the information on forms E-45 and E-46. Adjustments should be made to the financial accounting records and capital asset records to properly record these expenditures as infrastructure.

Buildings and Building Improvements

The classification Buildings and Building Improvements includes all permanent, portable, and temporary building structures regardless of value. Buildings are recorded at acquisition cost, which includes:

- Purchase price or cost of construction
- Permanently installed fixtures

- Professional fees (architect and/or engineering fees, etc.)
- Cost of permits and licenses connected with acquisition
- Payment of damage claims connected with acquisition
- Insurance premiums connected with acquisition
- Other acquisition costs

Donated buildings should be recorded at fair value at the time of donation. Extensions of existing buildings or new and separate units added to a building complex are capital outlay and should be assigned a separate identity and depreciable life. Renovations, repairs and alterations should not be added to the value of the existing building, unless they materially increase the value or extend the life of the building.

The cost of buildings should be reduced by the sale or salvage of materials initially capitalized as part of the cost. These would include discounts, allowances and rebates secured, and amounts recovered through the surrender of liability and/or casualty insurance.

All buildings and building improvements are to be included in this classification regardless of value for legal compliance purposes. Buildings and building improvements with a cost in excess of \$50,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 40 years and a 20% salvage value. Any building or building improvement with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

Improvements Other Than Buildings

Improvements Other Than Buildings records the acquisition cost of permanent improvements, other than buildings, which add value to land. The following items on county-owned land are included: fences, retaining walls, sidewalks, parking lots and lighting.

Acquisition cost for Improvements Other Than Buildings includes the following expenditures:

- Purchase price, contract price or job order cost
- Professional fees (architects, engineers, appraisers, attorneys, etc.)
- Payment of damage claims connected with acquisition
- Insurance premiums connected with acquisition

The cost of Improvements Other Than Buildings should be reduced by the sale or return of any materials initially capitalized as part of the cost.

All Improvements Other Than Buildings are to be included in this classification

regardless of value for legal compliance purposes. Improvements Other Than Buildings with a cost in excess of \$25,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 20 years and a 20% salvage value. Improvements Other Than Buildings with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

Construction-in-Progress

Construction-in-Progress records construction costs of projects incurring costs, but not complete. The cost is accumulated the same as Buildings cost, Improvements Other Than Buildings cost or infrastructure costs. When the project is complete, the amount in Construction-in-Progress is moved to Buildings, Improvements Other Than Buildings or infrastructure.

Mobile Equipment

Mobile equipment generally includes large machinery and equipment, and road working equipment with an expected useful life of at least one year. Items included are

- Automobiles, including installed radios and lights
- Trucks
- Tractors
- Heavy equipment, including scrapers, bulldozers, backhoes, loaders, cranes and draglines
- Attachments such as bushhogs, clippers, mowers, blades and sprayers
- Trailers for transport of equipment
- Fire trucks
- Jaws of life

Items included regardless of value are

- Lawnmowers and lawn maintenance equipment
- Chain saws
- Air compressors, welders, generators and similar type items

NOTE: These lists are not all-inclusive.

Acquisition cost of Mobile Equipment includes the following expenditures:

- Purchase price
- Delivery charges

- Installation cost
- Initial expenditures required to place the equipment in its intended operating state

Donated Mobile Equipment is recorded at fair value when acquired. All Mobile Equipment acquired from the Department of Finance and Administration, Surplus Property is included at fair value. The county may include items not in these guidelines, provided the policy is applied consistently.

All Mobile Equipment with a value of \$500 or more and those items required to be included regardless of value are to be included in this classification for legal compliance purposes. Mobile Equipment with a cost in excess of \$5,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 5 years for vehicles and equipment and 10 years for heavy equipment and a 10% salvage value.

Mobile Equipment with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

Other Furniture and Equipment

Other Furniture and Equipment generally includes other assets with an expected useful life of at least one year. Items included are

- Computers, including original software
- Furniture
- Voting equipment
- Filing equipment
- Appliances
- Office equipment

Items included regardless of value are

- Portable air conditioners
- Guns and weapons
- Cameras and camera equipment
- Tape recorders
- Dictating equipment
- Two-way radio equipment
- Typewriters and wordprocessors
- Refrigerators
- Televisions
- Calculators and adding machines

- Mobile/cellular phones
- Computer and computer equipment

NOTE: These lists are not all-inclusive.

The acquisition cost of Other Furniture and Equipment includes the following expenditures:

- Purchase price
- Delivery charges
- Installation cost
- Initial expenditures required to place the asset in its intended operating state

Donated items are recorded at fair value when acquired. All property acquired from the Department of Finance and Administration, Surplus Property is included at fair value. The county may include property not in these guidelines, provided the policy is applied consistently.

All Other Furniture and Equipment with a value of \$500 or more and those items required to be included regardless of value are to be included in this classification for legal compliance purposes. Other Furniture and Equipment with a cost in excess of \$5,000 should be capitalized for reporting purposes. The straight line method should be used to calculate depreciation expense based on a useful life of 3 years for computer equipment, 5 years for other equipment and 7 years for furniture and fixtures. A 1% salvage value should be used for computer equipment and a 10% salvage value should be used for furniture and other equipment. Other Furniture and Equipment with a value less than the required capitalization threshold will be expensed in the year of acquisition. A memo amount should be recorded in the fixed asset records to document cost.

Leased Property Under Capital Leases

Capital leasing authority for county government is found in Section 31-7-13(e), Mississippi Code Annotated (1972, amended). This transaction is commonly known as a *lease-purchase*.

All property acquired under a lease-purchase agreement is recorded in this classification. When the lease agreement has been fulfilled and all payments made, the property is removed from Leased Property Under Capital Leases and placed in the proper classification (usually Mobile Equipment or Other Furniture and Equipment).

The contract and amortization schedule for the capital lease shall be obtained (the lessor can provide this) and entered on the minutes of the Board of Supervisors. Capital leases must be included in the Long-Term Debt account.

INVENTORY OF FIXED ASSETS

At the end of each fiscal year, the Inventory Control Clerk, Chancery Clerk or other responsible official is to conduct an inventory of fixed assets. This is necessary to verify the existence and condition of fixed assets and to reconcile fixed asset records. An inventory may be conducted at other times in addition to the annual year-end inventory, if needed.

Procedures for conducting an inventory are as follows:

1. Each department head is furnished with blank inventory forms (following page).
2. Each department head lists each item of equipment in his department, including a brief description of the item, condition, serial number and property number.
3. The department head returns the completed forms to the Inventory Control Clerk or person responsible for the inventory.
4. The inventory is then reconciled to the existing inventory records and any differences are investigated. Necessary adjustments are made to the inventory records.
5. The Fixed Asset Subsidiary Ledger is prepared from the adjusted records.

If the inventory is the initial inventory or if there are no existing inventory records, procedures must be expanded to insure the inventory is complete. An Implicit Price Deflator is provided on the following pages to establish the cost of items for which there are no purchase records.

ANNUAL INVENTORY OF PROPERTY - SAMPLE FORMAT

____ COUNTY

INVENTORY AND VALUATION OF PROPERTY

_____ (FIXED ASSET)

September 30, 20____

DEPARTMENT/DISTRICT: _____

Page _____

Description	Serial/Model Number	Property Control Number	Date Purchased	Cost or Other Basis
TOTAL				\$

IMPLICIT PRICE DEFLATOR

Index Numbers, 1996= 100

Quarter Year:	I	II	III	IV	Annual
2001	108.65	109.21	109.80		
2000	106.22	106.81	107.31	107.78	107.04
1999	104.12	104.45	104.80	105.22	104.65
1998	102.76	103.01	103.38	103.65	103.20
1997	101.34	101.82	102.12	102.49	101.95
1996	99.39	99.74	100.22	100.63	100.00
1995	97.45	97.86	98.30	98.78	98.10
1994	95.28	95.71	96.28	96.74	96.01
1993	93.32	93.82	94.24	94.79	94.05
1992	91.16	91.67	91.97	92.55	91.94
1991	88.76	89.40	89.99	90.47	89.66
1990	85.18	86.16	86.99	87.74	86.51
1989	82.20	83.01	83.62	84.24	83.27
1988	78.98	79.79	80.71	81.33	80.21
1987	76.70	77.27	77.84	78.46	77.58
1986	74.68	75.05	75.51	76.01	75.31
1985	73.00	73.50	73.85	74.39	73.69
1984	70.59	71.16	71.73	72.24	71.44
1983	67.95	68.56	69.16	69.77	68.88
1982	64.99	65.83	66.75	67.45	66.25
1981	60.66	61.76	62.95	64.10	62.37
1980	55.11	56.34	57.60	59.13	57.04
1979	50.55	51.71	52.81	53.90	52.25
1978	46.86	47.77	48.60	49.59	48.23
1977	43.97	44.69	45.23	46.16	45.02
1976	41.50	41.92	42.50	43.27	42.30
1975	39.08	39.63	40.33	41.05	40.03
1974	35.20	36.02	37.09	38.20	36.62
1973	32.71	33.25	33.86	34.58	33.60
1972	34.41	31.61	31.92	32.32	31.82
1971	30.00	30.40	30.71	30.96	30.52
1970	28.55	28.94	29.18	29.56	29.06

Implicit Price Deflator, continued
Index Numbers, 1996= 100

Quarter Year:	I	II	III	IV	Annual
1969	27.03	27.39	27.79	28.15	27.59
1968	25.88	26.14	26.39	26.76	26.30
1967	24.89	25.05	25.31	25.59	25.21
1966	24.13	24.32	24.58	24.79	24.46
1965	23.61	23.71	23.81	23.97	23.78
1964	23.22	23.28	23.37	23.49	23.34
1963	22.91	22.94	22.98	23.16	23.00
1962	22.67	22.71	22.76	22.83	22.74
1961	22.35	22.40	22.46	22.53	22.44
1960	22.08	22.15	22.23	22.30	22.19
1959	21.83	21.83	21.88	21.98	21.88

Source: United States Department of Commerce, Bureau of Economic Analysis.

[illegible]

FIXED ASSET DATA ELEMENTS

Data elements consist of identifying characteristics that will be recorded for fixed assets. It is important that the county initially identify the data elements to satisfy both internal and external reporting requirements.

The county must capture the following required data elements for all fixed assets:

- Major asset class
- Fund number
- Acquisition date
- Description of asset (Manufacturer, year model, model number, etc.)
- Vendor
- Serial number
- Property control number
- Location
- Warrant number
- Method of Acquisition (Purchased, constructed, donated, etc.)
- Acquisition cost or value
- Method of disposition
- Minute book and page number authorizing purchase or disposition
- Date of disposition
- Trade-in Amount/Sale Proceeds
- Special conditions
- Other relevant information

In addition to the required data elements listed above, the county must capture the following required data elements for assets that exceed capitalization thresholds:

- Useful life of asset
- Salvage value of asset
- Function
- Percentage of use by function if not 100%
- Current year depreciation expense
- Accumulated depreciation

FIXED ASSETS - PROPERTY NUMBERS

Assets must be identified with a unique number signifying ownership and allowing for positive identification. Numbering assets is an important internal control.

Assets may be marked with this number in several acceptable ways. An adhesive metal tag is often used, as well as stenciling or painting. Whatever method is used, the mark must be permanent and durable. Obviously, only equipment items must be physically tagged with numbers. Land, infrastructure, buildings and improvements other than buildings will not be physically tagged, but, for internal control purposes, are assigned property numbers.

The sequences below are used to establish the numbers. Mobile equipment and other furniture and equipment are marked with the department number (from the chart of accounts) to which they belong. If there are not enough numbers in the chart below, alternatives to continue the numbering may be used, so long as each asset has a unique number.

<u>General Fixed Asset Category</u>	<u>Property Number</u>
Mobile Equipment and Other Furniture and Equipment	001 - 699
Buildings	700 - 799
Improvements Other Than Buildings	800 - 899
Land	900 - 999

_____ COUNTY
ROAD \ BRIDGE IMPROVEMENT REPORT FOR PROJECTS USING COUNTY EMPLOYEES AND EQUIPMENT

Road \ Bridge Name: _____

District _____

Select one of the following:

New Road_____ Old Road_____ New Bridge_____ Old Bridge_____

Select one of the following:

County Road (paved)_____ County Road (unpaved)_____ State Aid Road (paved)_____ State Aid Road (unpaved)_____

State Aid Concrete Bridge_____ Non-State Aid Concrete Bridge_____ Non-State Aid Timber Bridge_____

Description of Project: _____

Location\Length of Project: _____

Date(s): _____

Note: This form should be completed for the construction of any new roads or bridges and any changes in types of roads (i.e. paving a gravel road). It should also be completed to account for expenditures to improve existing infrastructure that either extends its useful life or increases its load capacity.

COUNTY PERSONNEL WORKING ON PROJECT					
To be completed by Supervisor \ Road Manager			To be completed by Office Personnel		
Name of Employee	Employee No.	Hrs Worked on Proj.	Total Hourly Rate	Total Cost	
				Total	

COUNTY EQUIPMENT USED ON PROJECT			
To be completed by Supervisor \ Road Manager		To be completed by Office Personnel	
Description of Equipment	Hrs Used on Proj.	Rate per Hour	Total Cost
Total			

MATERIALS USED ON PROJECT				
To be completed by Supervisor \ Road Manager			To be completed by Office Personnel	
Materials	How Much	Vendor	Unit Price	Total Cost
Total				

OTHER (Right of way, engineering fees, attorney fees, etc.)			
To be completed by Supervisor \ Road Manager		To be completed by Office Personnel	
Description	Vendor		Total Cost
Total			

Signature of Supervisor or Road Manager

Project Ongoing _____
Project Complete _____

Date Journal Entry Posted: _____
Journal Entry Posted By: _____

COUNTY
ROAD \ BRIDGE IMPROVEMENT REPORT FOR PROJECTS USING CONTRACTORS

Road \ Bridge Name:_____

District _____

Select one of the following:

New Road_____ Old Road_____ New Bridge_____ Old Bridge_____

Select one of the following:

County Road (paved)_____ County Road (unpaved)_____ State Aid Road (paved)_____ State Aid Road (unpaved)_____
State Aid Concrete Bridge_____ Non-State Aid Concrete Bridge_____ Non-State Aid Timber Bridge_____

Description of Project:_____

Location\Length of Project:_____

Date(s):_____

Note: This form should be completed for the construction of any new roads or bridges and any changes in types of roads (i.e. paving a gravel road). It should also be completed to account for expenditures to improve existing infrastructure that either extends its useful life or increases its load capacity.

PAYMENTS TO CONTRACTORS			
To be completed by Supervisor \ Road Manager		To be completed by Office Personnel	
Description	Contractor		Total Cost
		Total	

OTHER (Right of way, engineering fees, attorney fees, etc.)			
To be completed by Supervisor \ Road Manager		To be completed by Office Personnel	
Description	Vendor		Total Cost
		Total	

Signature of Supervisor or Road Manager

Project Ongoing _____

Project Complete _____

Date Journal Entry Posted: _____

Journal Entry Posted By: _____

ROAD AND BRIDGE REPORT FOR STATE AID PROJECTS

The county engineer should provide a form to the county by October 31st of each year to document the costs of state aid road projects performed during the year - October 1 to September 30. This form should include a section for road and bridge improvements that should be capitalized (i.e, the construction of new roads or bridges, any changes in types of roads such as paving a gravel road, or any expenditures to improve existing infrastructure that either extends its useful life or increases its load capacity). This form should also include a section for maintenance of roads and bridges (i.e., reseal projects, striping, signs, etc.). This form should include the following information for improvements to be capitalized and maintenance:

- Project number
- Direct payments to contractors
- Direct payments to county engineer
- Payments to county for county engineer
- Dates of payments
- Signature of county engineer
- Project completed or in progress

A report prepared by the State Aid Road Division that includes all of this information will also be accepted.

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FUND LIABILITY LEDGER

The Fund Liability Ledger is used to record loans from one fund to another. This information is necessary to avoid legal compliance problems, as well as to avoid large balances of loans due to other funds, which can impact an audit opinion. Maintaining the Fund Liability Ledger is a strong internal control.

All interfund loans must be approved on the minutes of the Board of Supervisors. The county should endeavor to repay interfund loans as soon as possible.

FUND LIABILITY LEDGER
_____ County

FUND LIABILITY LEDGER
_____ County

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

PETTY CASH

A petty cash fund may be established in accordance with Section 7-7-60, Mississippi Code Annotated (1972 amended), and prescribed regulations set forth by the Office of the State Auditor. To establish a petty cash fund, the department head desiring the fund should submit a written request to the Board of Supervisors stating the reasons for establishing the fund, the custodian of the fund, authorized users and the fund's dollar amount.

No single expenditure from a petty cash fund shall exceed \$500.00. A petty cash fund may only be used for unusual and non-recurring expenditures. If a bank account is to be used, it shall be in the county depository selected by the Board of Supervisors for county deposits. A petty cash fund shall not be used to circumvent the central purchasing system.

The written request from the department head serves as a claim to establish the fund upon approval by the Board of Supervisors. The amount is coded to the objective number for Petty Cash.

The custodian is responsible for the petty cash. The fund consists of the petty cash and/or invoices for disbursements from the fund. The total of the two should always equal the total petty cash amount approved by the Board of Supervisors.

The custodian submits invoices for petty cash disbursements with the Voucher for Reimbursement of Expense (shown on the following page) to the Board of Supervisors at least once each year to renew the petty cash fund. A claim is prepared for the invoices, debiting them to the proper expenditure codes to offset the credit to cash.

The petty cash fund shall be closed to the county fund from which it was established when the custodian leaves office or gives up control of the fund. All cash and unreimbursed invoices are submitted, and the original entry reversed.

A fund for drug/information/evidence purchase by the Sheriff's office is not subject to the \$500.00 limitation, but the amount for a single purchase shall not exceed the limitation set forth in Section 99-3-39, Mississippi Code Annotated (1972), currently \$2,500.00. Detailed records containing names, dates and purpose of the purchase shall be maintained for review by qualified persons. The prescribed voucher for purchase of information or evidence is shown on E-51. This fund shall not be used for any other purpose.

PETTY CASH
VOUCHER FOR REIMBURSEMENT

FROM _____ 20__ TO _____ 20__

_____, CUSTODIAN
_____, DEPARTMENT

ITEM	AMOUNT		CODE	AMOUNT VERIFIED	
	\$			\$	
TOTAL CLAIMED	\$		TOTAL VERIFIED	\$	

I certify the above amount claimed for petty cash expense for the period indicated is correct and that payment for any part thereof has not been received.

_____, Custodian

Verified by _____

Attach all invoices for petty cash expenditures to be reimbursed.
Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

Voucher No. _____

Case No. _____

VOUCHER FOR PURCHASE OF INFORMATION AND PURCHASE OF EVIDENCE

1. Department/Agency _____
2. Name of Claimant _____
3. Address (box/street, city and zip code) _____

4. This Voucher Being Used For (check one):

() Payment to Confidential Informant () Payment of Reward () Purchase of Evidence

5. Remarks: _____

CERTIFICATION OF OFFICER OR AGENT

6. I certify receipt of \$ _____ paid in cash or by check no. _____ for which payment is to be made for services or evidence as stated above.

_____ Date _____
(Signature of Claimant)

-
7. Pursuant to authority vested in me, I certify, that this voucher is correct and proper for payment in the amount of \$ _____.

_____ Date _____
(Authorized Certifying Officer)

CERTIFICATION OF CONFIDENTIAL INFORMANT

8. Certification (check one):

- A. () I certify I received payment in the amount of \$ _____ for purposes as stated above.
B. () I certify that I rendered services as stated above for which payment thereof has not been received.

_____ Date _____
(Sign second copy only)

Address

Phone No.

PAYROLL FORM

The Payroll Ledger on the following page is a permanent record of salaries and wages paid to employees. All pertinent information relating to wages and payroll deductions shall be maintained for each employee on a current basis.

_____ COUNTY
SALARY PAYROLL RECORD
Calendar Year: _____

Name _____ Title _____ Date Original Election Effective: _____ Marital Status: _____
Address _____ Number of Dependents: _____
Social Security Number: _____ Account No. _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

Month	Warrant Number	Total Salary Paid	Federal Income Tax	State Income Tax	Social Security	Retirement			Total Withheld	Net Amount Paid	County's Share Ret.	County's Share S.S.
1 JAN												
2 FEB												
3 MAR												
QUARTER TOTALS												
4 APR												
5 MAY												
6 JUN												
QUARTER TOTALS												
JAN - JUN TOTALS												
7 JUL												
8 AUG												
9 SEP												
QUARTER TOTALS												
10 OCT												
11 NOV												
12 DEC												
QUARTER TOTALS												
JUL - DEC TOTALS												
YEAR TOTALS												
			Computation of Gross Salary and Income Tax Withheld - Calendar Year									
			Detail		Gross Salary		State Income Tax		Federal Income Tax		Social Security	
			Totals January - June		\$		\$		\$		\$	
			Totals July - December									
			Totals - Calendar Year		\$		\$		\$		\$	

COMPENSATED ABSENCES

Generally accepted accounting principles require counties to recognize a compensated absences liability for vacation leave if it meets two conditions: The vacation leave is related to employee services already rendered and it is probable that the leave will be paid. The form on the following page should be prepared at September 30 of each year to calculate the compensated absences liability.

CREDIT CARD USAGE

Section 19-3-68, Mississippi Code Annotated (1972), provides for credit cards to be used by the members of the board of supervisors and county employees:

... The board of supervisors of any county may acquire one or more credit cards which may be used by members of the board of supervisors and county employees to pay expenses incurred by them when traveling in or out of the state in the performance of their official duties. The chancery clerk or county purchase clerk shall maintain complete records of all credit card numbers and all receipts and other documents relating to the use of such credit cards. The supervisors and county employees shall furnish receipts for the use of such credit cards each month to the chancery clerk or purchase clerk who shall submit a written report monthly to the board of supervisors. The report shall include an itemized list of all expenditures and use of the credit cards for the month, and such expenditures may be allowed for payment by the county in the same manner as other items on the claims docket. The issuance of a credit card to a supervisor or county employee under the provisions of this section does not authorize the supervisor or county employee to use the credit card to make any expenditure that is not otherwise authorized by law. Any supervisor or county employee who uses the credit card to make an expenditure that is not approved for payment by the board shall be personally liable for the expenditure and shall reimburse the county.

Section 19-25-13, Mississippi Code Annotated (1972), provides for credit cards to be used by the Sheriff and his deputies:

... The board of supervisors may acquire one or more credit cards which may be used by the sheriff and his deputies to pay expenses incurred by them when traveling in or out of state in the performance of their official duties. The chancery clerk or county purchase clerk shall maintain complete records of all credit card numbers and all receipts and other documents relating to the use of such credit cards. The sheriff shall furnish receipts for the use of such credit cards each month to the chancery clerk or purchase clerk who shall submit a written report monthly to the board of supervisors, which report shall include an itemized list of all expenditures and use of the credit cards for the month, and such expenditures may be allowed for payment by the county in the same manner as other items on the claims docket. The issuance of a credit card to a sheriff or his deputy under the provisions of this section shall not be construed to authorize such sheriff or deputy sheriff to use such credit card to make any expenditure which is not otherwise authorized by law.

The form on the following page is used by the Chancery Clerk or Purchase Clerk to submit monthly to the Board of Supervisors. All credit card receipts for entries recorded on the form must be attached to the form. Credit card purchases are exempt from the central purchasing system, but are subject to bid laws.

CREDIT CARD REPORT

CREDIT CARD: _____
 NUMBER: _____

MONTH OF _____ 20____

CHANCERY CLERK/PURCHASE CLERK

(Signature)

(Date)

CARD USER	PURPOSE	DATE OF USE	VENDOR NAME	AMOUNT	DESCRIPTION
				\$	
TOTAL				\$	

Attach all credit card receipts for amounts listed above.
 Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

TAX COLLECTOR

Introduction

The Tax Collector's office is one of the most important and complicated in all of county government. Many laws exist pertaining to operation of the Tax Collector's office, and most of them can be found in Title 27, Chapter 1 of the Mississippi Code Annotated (1972). This section will concentrate on the accounting and internal control systems prescribed by the Office of the State Auditor.

A system of internal controls is critical for successful operation of the Tax Collector's office. *Internal controls* are policies and procedures used to safeguard assets and strengthen accounting and recording functions. Most cash a county receives flows through the Tax Collector's office, and uncollected taxes can become material. Internal control procedures should be designed to protect cash from theft and misappropriation and to insure all taxes collected are properly recorded. One such procedure is so basic it is prescribed by the Office of the State Auditor for all Tax Collectors -- A separate cash drawer must be used for each person who collects taxes. The Tax Collector should implement other appropriate internal control procedures such as proper segregation of duties. The Tax Collector should frequently review internal controls in his/her office to ensure that they are in fact effective and operational. Periodically, internal controls may need to be revised or updated due to circumstances such as personnel or policy changes.

The following forms are prescribed by the Office of the State Auditor. These forms represent minimum requirements for the Tax Collector. Additional forms and procedures may be used to fit the needs of a particular office.

Daily Activity Listing Sheet

The Daily Activity Listing Sheet must be completed for each cash drawer every business day. This form records detailed information about each transaction, provides documentation for the cash received and expedites the check-up process at the end of the business day. Mail receipts may be recorded on a separate sheet, or may be incorporated into a cash drawer. This form may be computer-generated, but each transaction for each cash drawer must be recorded at the time it occurs. Additional columns and accounts may be added if deemed necessary.

Tax Collector's Office
Daily Activity Listing Sheet

Page: _____

E - 61

Daily Check-Up Sheet

A Daily Check-Up Sheet must be prepared by the appropriate official (usually the bookkeeper) at the end of each business day. This form summarizes and recaps all Daily Activity Listing Sheets. After the activity of each cashier is properly verified, daily totals of each column of the Daily Activity Listing Sheets are combined and entered on appropriate lines of the "Receipts" section of the Daily Check-Up Sheet. The "Cash Count and Receivables" section of the Daily Check-Up Sheet is used to recap daily collections (coins, currency, credit cards and checks) and receivables for the legislative tag credit. The difference between "Total Receipts" and "Total Collections and Receivables," if any, is the *short* or *over* for the day's collections. The Daily Check-Up Sheet is then posted to the Tax Collectors Cash Journal and is used to prepare the bank deposit. The "Receipts" section of this form may be computer-generated.

_____ COUNTY

Tax Collector's Office Daily Check-up Sheet

Date: _____

Deputy: _____

Prescribed by the Office of the State Auditor.
Revised effective October 1, 2002.

RECEIPTS

Automobile Tax	\$ _____
Automobile Tags	_____
Prior Year Tags	_____
Titles	_____
Personalized Tags	_____
Special Tags	_____
Use Tax	_____
Sales Tax	_____
Regular Advalorem Tax	_____
Overload Advalorem Tax	_____
Overload Tags (Big Truck Privilege)	_____
Overload Additional Privilege Tax	_____
Mobile Home Advalorem Tax	_____
Mobile Home Registrations	_____
Mobile Home Certification	_____
Prior Year Mobile Home	_____
County Privilege Tax	_____
Garbage Fees	_____
Other (_____)	_____
Other (_____)	_____
Other (_____)	_____
TOTAL RECEIPTS	\$ _____

CASH COUNT AND RECEIVABLES

Coins	\$	_____	
Currency		_____	
Checks		_____	
Credit Cards		_____	
Total Collections			\$ _____
Amount Receivable from State			
Current Legislative Credit	\$	_____	
Less: Prior Legislative Credit		_____	\$ _____
Short/Over			_____
TOTAL COLLECTIONS AND RECEIVABLES			\$ _____

Verified by: _____

Tax Collector's Journal

The Tax Collector's Journal is the central record of the Tax Collector's financial activity. All collections and receivables reported on the Daily Check-Up Sheet are recorded daily in the Tax Collector's Journal. Payments from the Tax Commission for the legislative tag credit should be recorded as a credit to Legislative Tag Credit Receivable and a debit to Cash when received by the Tax Collector. Disbursements are recorded when made. It is important to ensure that all transactions (such as interest income, purchases and sales of investments, bad checks, etc.) are properly recorded. This system provides the Tax Collector with current information and provides the basis for making settlements.

The columns of the journal are totaled at the end of each month. A trial balance is performed by adding all debit columns and comparing the total to the sum of all credit columns. The two figures should equal, proving the journal is balanced. The totals are carried forward to open the next month and to provide a basis for making settlements. Credit columns enclosed in the outline with the "Prior Month Unsettled Balance" column may be added together and carried forward in total in the "Prior Month Unsettled Balance" column to distinguish one month from the next and to provide a basis for settlement.

COUNTY

Tax Collector's Journal

, 20_____

Page 1

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

Bank Reconciliation

The Tax Collector must reconcile all bank accounts monthly using the prescribed bank reconciliation. Total reconciled bank balances should agree with the "Cash in Bank" column of the Tax Collector's Journal.

Investments

All investment transactions recorded in the Tax Collector's Journal must be included in the Investment Subsidiary Ledger. This does not include an interest-bearing checking account.

Legislative Tag Credit Receivable

The Tax Collector should reconcile any differences in the Legislative Tag Credit Receivable recorded by the County and the amount received from the Tax Commission each month.

Bad Checks

The Tax Collector must maintain a list of bad checks. The information included on this list should include name, date and amount. The total amount of bad checks per this list should agree with the "Bad Checks" column of the Tax Collector's Journal.

Distribution of Tax Collector's Funds

The Tax Collector must prepare a report at September 30 of each year identifying the distribution of all funds held by or due to the Tax Collector in order to include these funds in the financial statements of the county. This report should specify the revenues that are due to the General Fund, other funds, state government, local governments or others. This report should also identify any amounts that are owed to or by the Tax Collector (i.e. legislative tag credit receivable, cash shortages, bad checks, etc. at September 30). The Tax Collector should submit this report to the Chancery Clerk by October 31 of each year.

An example form is included on the following pages to aid in the proper classification of Tax Collector funds. This form may be modified as long as it includes all required information.

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 1 of 9

Prescribed by the Office of the State Auditor effective October 1, 2002.

Amount

TAX COLLECTOR FUND:

Cr. 004-000-149

Due to Governmental Funds

General County

Real Advalorem	\$ _____	Cr. 001-000-200
Auto and Overload Advalorem	\$ _____	Cr. 001-000-201
Mobile Home Advalorem	\$ _____	Cr. 001-000-202
Prior Year Tags	\$ _____	Cr. 001-000-203

Penalties:

Regular	\$ _____	
Auto	\$ _____	
Mobile Home	\$ _____	
Overloads	\$ _____	
Other Penalties - _____	\$ _____	
Other Penalties - _____	\$ _____	
Other Penalties - _____	\$ _____	
Total Penalties	\$ _____	Cr. 001-000-205
County Privilege	\$ _____	Cr. 001-000-211

Commissions:

Use Tax	\$ _____	
Sales Tax	\$ _____	
Titles	\$ _____	
Overload Additional Privilege	\$ _____	
Overload Tags	\$ _____	
Personalized Tags	\$ _____	
Special Tags	\$ _____	
Tag Fees	\$ _____	
Auto	\$ _____	
Regular	\$ _____	
Mobile Home	\$ _____	
Other Commissions - _____	\$ _____	
Other Commissions - _____	\$ _____	
Other Commissions - _____	\$ _____	
Total Commissions	\$ _____	Cr. 001-000-214
Mobile Home Certification	\$ _____	Cr. 001-000-(222-229)
Mail Fees	\$ _____	Cr. 001-000-218
Mobile Home Registration	\$ _____	Cr. 001-000-221
Map Fees	\$ _____	Cr. 001-000-(222-229)
Interface Fee	\$ _____	Cr. 001-000-(222-229)
Interest	\$ _____	Cr. 001-000-330
Other - _____	\$ _____	Cr. 001-000-_____
Other - _____	\$ _____	Cr. 001-000-_____

Total General County	\$ _____	Dr. 001-000-054
----------------------	----------	-----------------

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 2 of 9

	<u>Amount</u>	
Special Levy Reappraisal		
Real Advalorem	\$ _____	Cr. 002-000-200
Auto and Overload Advalorem	\$ _____	Cr. 002-000-201
Mobile Home Advalorem	\$ _____	Cr. 002-000-202
Prior Year Tags	\$ _____	Cr. 002-000-203
 Total Special Levy Reappraisal	 \$ _____	 Dr. 002-000-054
 Interface Fund		
Interface Fees	\$ _____	Cr. (012-024)-000-(222-229)
 Total Interface Fund	 \$ _____	 Dr. (012-024)-000-054
 Volunteer Fire		
Real Advalorem	\$ _____	Cr. 106-000-200
Auto and Overload Advalorem	\$ _____	Cr. 106-000-201
Mobile Home Advalorem	\$ _____	Cr. 106-000-202
Prior Year Tags	\$ _____	Cr. 106-000-203
 Total Volunteer Fire	 \$ _____	 Dr. 106-000-054
 Reappraisal		
Real Advalorem	\$ _____	Cr. 096-000-200
Auto and Overload Advalorem	\$ _____	Cr. 096-000-201
Mobile Home Advalorem	\$ _____	Cr. 096-000-202
Prior Year Tags	\$ _____	Cr. 096-000-203
 Total Reappraisal	 \$ _____	 Dr. 096-000-054
 Countywide Road Maintenance		
Real Advalorem	\$ _____	Cr. 150-000-200
Auto and Overload Advalorem	\$ _____	Cr. 150-000-201
Mobile Home Advalorem	\$ _____	Cr. 150-000-202
Prior Year Tags	\$ _____	Cr. 150-000-203
Road & Bridge Privilege Tax	\$ _____	Cr. 150-000-210
 Total Countywide Road Maintenance	 \$ _____	 Dr. 150-000-054

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 3 of 9

	<u>Amount</u>	
District 1 Road Maintenance		
Real Advalorem	\$ _____	Cr. 151-000-200
Auto and Overload Advalorem	\$ _____	Cr. 151-000-201
Mobile Home Advalorem	\$ _____	Cr. 151-000-202
Prior Year Tags	\$ _____	Cr. 151-000-203
Road & Bridge Privilege Tax	\$ _____	Cr. 151-000-210
 Total District 1 Road Maintenance	 \$ _____	 Dr. 151-000-054
 District 2 Road Maintenance		
Real Advalorem	\$ _____	Cr. 152-000-200
Auto and Overload Advalorem	\$ _____	Cr. 152-000-201
Mobile Home Advalorem	\$ _____	Cr. 152-000-202
Prior Year Tags	\$ _____	Cr. 152-000-203
Road & Bridge Privilege Tax	\$ _____	Cr. 152-000-210
 Total District 2 Road Maintenance	 \$ _____	 Dr. 152-000-054
 District 3 Road Maintenance		
Real Advalorem	\$ _____	Cr. 153-000-200
Auto and Overload Advalorem	\$ _____	Cr. 153-000-201
Mobile Home Advalorem	\$ _____	Cr. 153-000-202
Prior Year Tags	\$ _____	Cr. 153-000-203
Road & Bridge Privilege Tax	\$ _____	Cr. 153-000-210
 Total District 3 Road Maintenance	 \$ _____	 Dr. 153-000-054
 District 4 Road Maintenance		
Real Advalorem	\$ _____	Cr. 154-000-200
Auto and Overload Advalorem	\$ _____	Cr. 154-000-201
Mobile Home Advalorem	\$ _____	Cr. 154-000-202
Prior Year Tags	\$ _____	Cr. 154-000-203
Road & Bridge Privilege Tax	\$ _____	Cr. 154-000-210
 Total District 4 Road Maintenance	 \$ _____	 Dr. 154-000-054

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 4 of 9

	<u>Amount</u>	
District 5 Road Maintenance		
Real Advalorem	\$ _____	Cr. 155-000-200
Auto and Overload Advalorem	\$ _____	Cr. 155-000-201
Mobile Home Advalorem	\$ _____	Cr. 155-000-202
Prior Year Tags	\$ _____	Cr. 155-000-203
Road & Bridge Privilege Tax	\$ _____	Cr. 155-000-210
 Total District 5 Road Maintenance	 \$ _____	 Dr. 155-000-054
 Countywide Bridge & Culvert		
Real Advalorem	\$ _____	Cr. 160-000-200
Auto and Overload Advalorem	\$ _____	Cr. 160-000-201
Mobile Home Advalorem	\$ _____	Cr. 160-000-202
Prior Year Tags	\$ _____	Cr. 160-000-203
 Total Countywide Bridge & Culvert	 \$ _____	 Dr. 160-000-054
 District 1 Bridge & Culvert		
Real Advalorem	\$ _____	Cr. 161-000-200
Auto and Overload Advalorem	\$ _____	Cr. 161-000-201
Mobile Home Advalorem	\$ _____	Cr. 161-000-202
Prior Year Tags	\$ _____	Cr. 161-000-203
 Total District 1 Bridge & Culvert	 \$ _____	 Dr. 161-000-054
 District 2 Bridge & Culvert		
Real Advalorem	\$ _____	Cr. 162-000-200
Auto and Overload Advalorem	\$ _____	Cr. 162-000-201
Mobile Home Advalorem	\$ _____	Cr. 162-000-202
Prior Year Tags	\$ _____	Cr. 162-000-203
 Total District 2 Bridge & Culvert	 \$ _____	 Dr. 162-000-054
 District 3 Bridge & Culvert		
Real Advalorem	\$ _____	Cr. 163-000-200
Auto and Overload Advalorem	\$ _____	Cr. 163-000-201
Mobile Home Advalorem	\$ _____	Cr. 163-000-202
Prior Year Tags	\$ _____	Cr. 163-000-203
 Total District 3 Bridge & Culvert	 \$ _____	 Dr. 163-000-054

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 5 of 9

	<u>Amount</u>	
District 4 Bridge & Culvert		
Real Advalorem	\$ _____	Cr. 164-000-200
Auto and Overload Advalorem	\$ _____	Cr. 164-000-201
Mobile Home Advalorem	\$ _____	Cr. 164-000-202
Prior Year Tags	\$ _____	Cr. 164-000-203
Total District 4 Bridge & Culvert	\$ _____	Dr. 164-000-054
District 5 Road Bridge & Culvert		
Real Advalorem	\$ _____	Cr. 165-000-200
Auto and Overload Advalorem	\$ _____	Cr. 165-000-201
Mobile Home Advalorem	\$ _____	Cr. 165-000-202
Prior Year Tags	\$ _____	Cr. 165-000-203
Total District 5 Bridge & Culvert	\$ _____	Dr. 165-000-054
Solid Waste		
Real Advalorem	\$ _____	Cr. 105-000-200
Auto and Overload Advalorem	\$ _____	Cr. 105-000-201
Mobile Home Advalorem	\$ _____	Cr. 105-000-202
Prior Year Tags	\$ _____	Cr. 105-000-203
Garbage Fees	\$ _____	Cr. 105-000-320
Total Solid Waste	\$ _____	Dr. 105-000-054
County Library		
Real Advalorem	\$ _____	Cr. 095-000-200
Auto and Overload Advalorem	\$ _____	Cr. 095-000-201
Mobile Home Advalorem	\$ _____	Cr. 095-000-202
Prior Year Tags	\$ _____	Cr. 095-000-203
Total County Library	\$ _____	Dr. 095-000-054
Road & Bridge I&S		
Real Advalorem	\$ _____	Cr. (200-299)-000-200
Auto and Overload Advalorem	\$ _____	Cr. (200-299)-000-201
Mobile Home Advalorem	\$ _____	Cr. (200-299)-000-202
Prior Year Tags	\$ _____	Cr. (200-299)-000-203
Total Road & Bridge I&S	\$ _____	Dr. (200-299)-000-054

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 6 of 9

	<u>Amount</u>	
Courthouse I&S		
Real Advalorem	\$ _____	Cr. (200-299)-000-200
Auto and Overload Advalorem	\$ _____	Cr. (200-299)-000-201
Mobile Home Advalorem	\$ _____	Cr. (200-299)-000-202
Prior Year Tags	\$ _____	Cr. (200-299)-000-203
 Total Courthouse I&S	 \$ _____	 Dr. (200-299)-000-054
 Jail I&S		
Real Advalorem	\$ _____	Cr. (200-299)-000-200
Auto and Overload Advalorem	\$ _____	Cr. (200-299)-000-201
Mobile Home Advalorem	\$ _____	Cr. (200-299)-000-202
Prior Year Tags	\$ _____	Cr. (200-299)-000-203
 Total Jail I&S	 \$ _____	 Dr. (200-299)-000-054
 Other Fund - _____		
Real Advalorem	\$ _____	Cr. _____-000-200
Auto and Overload Advalorem	\$ _____	Cr. _____-000-201
Mobile Home Advalorem	\$ _____	Cr. _____-000-202
Prior Year Tags	\$ _____	Cr. _____-000-203
 Total _____	 \$ _____	 Dr. _____-000-054
 Other Fund - _____		
Real Advalorem	\$ _____	Cr. _____-000-200
Auto and Overload Advalorem	\$ _____	Cr. _____-000-201
Mobile Home Advalorem	\$ _____	Cr. _____-000-202
Prior Year Tags	\$ _____	Cr. _____-000-203
 Total _____	 \$ _____	 Dr. _____-000-054
 Other Fund - _____		
Real Advalorem	\$ _____	Cr. _____-000-200
Auto and Overload Advalorem	\$ _____	Cr. _____-000-201
Mobile Home Advalorem	\$ _____	Cr. _____-000-202
Prior Year Tags	\$ _____	Cr. _____-000-203
 Total _____	 \$ _____	 Dr. _____-000-054

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 7 of 9

Amount

Other Fund - _____

Real Advalorem	\$ _____	Cr. _____-000-200
Auto and Overload Advalorem	\$ _____	Cr. _____-000-201
Mobile Home Advalorem	\$ _____	Cr. _____-000-202
Prior Year Tags	\$ _____	Cr. _____-000-203

Total _____	\$ _____	Dr. _____-000-054
-------------	----------	-------------------

Other Fund - _____

Real Advalorem	\$ _____	Cr. _____-000-200
Auto and Overload Advalorem	\$ _____	Cr. _____-000-201
Mobile Home Advalorem	\$ _____	Cr. _____-000-202
Prior Year Tags	\$ _____	Cr. _____-000-203

Total _____	\$ _____	Dr. _____-000-054
-------------	----------	-------------------

Total Due to Governmental Funds	\$ _____	
--	-----------------	--

Cr. 004-000-150

Due to Proprietary Funds

Solid Waste

Real Advalorem	\$ _____	Cr. 400-000-200
Auto and Overload Advalorem	\$ _____	Cr. 400-000-201
Mobile Home Advalorem	\$ _____	Cr. 400-000-202
Prior Year Tags	\$ _____	Cr. 400-000-203
Garbage Fees	\$ _____	Cr. 400-000-320

Total Solid Waste	\$ _____	Dr. 400-000-054
-------------------	----------	-----------------

Total Due to Proprietary Funds	\$ _____	
---------------------------------------	-----------------	--

Cr. 004-000-(136-147) Due to State Government

State Tax Commission:

Use Tax	\$ _____
Sales Tax	\$ _____
Personalized Tags	\$ _____
Special Tags	\$ _____
Tag Fees	\$ _____
Titles	\$ _____
Forestry Tax	\$ _____
Other - _____	\$ _____
Other - _____	\$ _____

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 8 of 9

		<u>Amount</u>
	Community College	
	Maintenance	\$ _____
	Enlargement	\$ _____
	Other - _____	\$ _____
	Water Management District (specify name)	\$ _____
	Agriculture Research	\$ _____
	Other State Agency - _____	
	_____	\$ _____
	_____	\$ _____
	Total Due to State Government	\$ _____
Cr. 004-000-148	Due to Local Government	
	City of _____	\$ _____
	City of _____	\$ _____
	City of _____	\$ _____
	Town of _____	\$ _____
	Town of _____	\$ _____
	Town of _____	\$ _____
	County Schools	\$ _____
	Other - _____	\$ _____
	Other - _____	\$ _____
	Total Due to Local Government	\$ _____
Cr. 004-000-(108-112)	Amounts Held in Custody for Others	
	Drainage District (specify name)	\$ _____
	Drainage District (specify name)	\$ _____
	Drainage District (specify name)	\$ _____
	Regional Library	\$ _____
	Regional Airport	\$ _____
	Firefighters Burn Center	\$ _____
	Refunds:	
	Name (specify)	\$ _____
	Name (specify)	\$ _____
	Name (specify)	\$ _____
	Garbage Fees:	\$ _____
	Cash Overage(net)	\$ _____
	Other - specify	\$ _____
	Other - specify	\$ _____
	Total Amounts Held in Custody for Others	\$ _____
	Total Amounts Accounted For	\$ _____

_____ County
Distribution of Tax Collector's Funds at September 30, 20_____

Page 9 of 9

		<u>Amount</u>
Dr. 004-000-007	Tax Collector Cash	
	Cash on Hand	\$ _____
	Cash in Bank	\$ _____
	Investments	\$ _____
	Total Tax Collector Cash	\$ _____
Dr. 004-000-050	Legislative Tag Credit Receivable	\$ _____
Dr. 004-000-(051-052)	Other Receivable	
	Cash Shortage(net)	\$ _____
	Bad Checks	\$ _____
	Postage	\$ _____
	Total Other Receivable	\$ _____
	Total Amounts to be Accounted For	\$ _____

CHANCERY CLERK

Fee Account Cash Journal

Section 9-1-43, Mississippi Code Annotated (1972), requires the Chancery Clerk to maintain a cash journal for cash receipts from private or government sources for furnishing copies of any papers of record or on file, services rendered as a notary public or any fee wherein the total fee for the transaction is ten dollars (\$10.00) or less. Section 9-1-43 also requires the Chancery Clerk to deposit any fees received in excess of the Governor's salary of \$83,160 into the county general fund on or before April 15 for the preceding calendar year, and requires the State Auditor to promulgate uniform accounting methods for all sources of income of the Chancery Clerk.

In order to satisfy the requirements of Section 9-1-43, the State Auditor is prescribing the Chancery Clerk Fee Account Cash Journal presented on the following pages.

_____ COUNTY
Chancery Clerk
Fee Account Cash Journal
_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

[illegible]

[illegible]

Fee Accounts Receivable

The Chancery Clerk must maintain an accounts receivable accounting system if credit is to be extended for recording fees collected by the Clerk. The system consists of a control ledger and subsidiary ledgers for each person or entity receiving credit.

Each person or entity receiving credit is assigned a separate subsidiary account. This account may be maintained as cards, ledger sheets or by computer, but must contain the following information:

- A separate subsidiary number
- Name
- Most recent known address and phone number
- Identifying information (book and page number of deeds recorded, etc.)
- Date the service is performed
- Total amount due
- Payments made to date, including date and method of payment (cash/check number)

At the end of each month, all subsidiary accounts must be posted to the Fee Accounts Receivable Control Account shown on the following page. The name of the person or entity on the subsidiary account is listed along with the subsidiary number. The beginning amount due along with new charges and payments for the month are posted, and an ending balance is computed. The control account columns are then totaled. Note: Collections of accounts receivable are recorded in the Fee Account Cash Journal when received in cash or check.

_____ COUNTY

Fee Accounts Receivable Control Account
_____, Chancery Clerk
For the Month Ended _____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

Receivable From	Subsidiary Number	Beginning Balance	Charges	Payments	Ending Balance
Total Fee Accounts Receivable		\$	\$	\$	\$

SHERIFF

Introduction

The Sheriff's Office must account for fees, petty cash and jail expenditures and prepare budget reports. Additionally, many legal requirements must be heeded. Procedures prescribed by the Office of the State Auditor for the Sheriff are included in this subsection.

Sheriff's Cash Journal

The Sheriff's Cash Journal is a journal of original entry. It should be maintained on a daily basis. Receipts and expenditures are entered as they occur, along with the date, receipt or check number, payor or payee, and amount. An entry is recorded in "Cash" and the appropriate column relating to type of receipt or expenditure. The cash balance remains current and is used to reconcile the bank statement at the end of each month.

____ COUNTY

Sheriff's Cash Journal

_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

Execution Fees				Vending Commissions				Sale of Property				Bank Interest				Other (Specify)				Memo			

Sheriff's Jail Food Allowance Cash Journal

The Jail Food Allowance Cash Journal is used when prisoners' meals are prepared at the jail and the Board of Supervisors has elected for the Sheriff to maintain a jail food allowance bank account. This journal is not used when the Board contracts for the meals or when the Board purchases jail food through the Claims Docket. The journal is maintained on a daily basis. Receipts and expenditures are entered as they occur, along with the date, receipt or check number, payor or payee, and the amount. An entry is recorded in "Cash" and the appropriate column relating to the type of receipt or expenditure. The cash balance remains current and is used to reconcile the bank statement at the end of each month.

The per meal amount the Board may pay the jail food account is found in Section 19-25-73, Mississippi Code Annotated (1972).

Sheriff's Jail Food Allowance Cash Journal
_____, 20____

[illegible]

[illegible]

Sheriff's Office/Jail Receipt

A pre-numbered office/jail receipt is required for the Sheriff's Office as a source document for all money received. The pre-numbered receipt must be titled with "State of Mississippi," the county name and "Sheriff's Office/Jail Receipt." It must detail the case number (if applicable), the type of collection (process fee, feeding prisoners, vending commissions, etc.), method of payment, payor, date and name of person receipting the money. The receipt is posted to the Sheriff's Cash Journal or the Sheriff's Jail Food Allowance Cash Journal.

A receipt need not be pre-numbered for retail sales in a proprietary situation, such as a jail canteen.

Sheriff's Dockets

The Sheriff's Mesne Process Docket is a permanent record of all process served by the Sheriff's office. The Mesne Process Docket is maintained on a daily basis.

The Sheriff's Execution Docket is a permanent record of all executions served by the Sheriff's office. The Execution Docket is maintained on a daily basis.

The Sheriff's Jail Docket is a permanent record of prisoners committed or released in the jail. The Jail Docket is maintained on a daily basis.

The docket forms on the following pages are examples presenting minimum information included in the dockets.

SHERIFF'S MESNE PROCESS DOCKET

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

____ COUNTY

[illegible]

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

COUNTY

PAGE NO. _____

[illegible]

JAIL DOCKET

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

_____ COUNTY, MISSISSIPPI

[illegible]

Sheriff's Daily Log of Meals

The Sheriff's Daily Log of Meals accounts for meals served to prisoners. At the end of each month, the meals are totaled and a copy submitted to the Board of Supervisors. The Daily Log of Meals is kept on file in the Sheriff's Office and by the Board of Supervisors, as required by state law.

PAGE NO. _____

B - BREAKFAST @ _____ O'clock
D - DINNER @ _____ O'clock
S - SUPPER @ _____ O'clock

Total Breakfast Meals Served	_____
Total Dinner Meals Served	_____
Total Supper Meals Served	_____
Grand Total	_____

Sheriff's Monthly Budget Report

Section 19-25-13, Mississippi Code Annotated (1972), requires the Sheriff to submit a monthly budget report to the Board of Supervisors on a form prescribed by the Office of the State Auditor. The Sheriff's Monthly Budget Report is presented on the following page.

____ COUNTY
SHERIFF'S DEPARTMENT
MONTHLY BUDGET REPORT
____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

	PERSONAL SERVICES	CONTRACTUAL SERVICES	CONSUMABLE SUPPLIES & MATERIALS	CAPITAL OUTLAY	TOTALS
A. BUDGET ALLOCATIONS	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
ADDITIONAL ALLOCATIONS	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL ALLOCATION TO DATE	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
B. DISBURSEMENTS (THIS MONTH)					
PERSONAL SERVICES:					
SALARIES & WAGES	\$ _____				
FRINGE BENEFITS:					
Employer's Share Social Security	\$ _____				
Employer's Share Retirement	\$ _____				
Employer's Share Group Insurance	\$ _____				
Other	\$ _____				
TOTAL SALARIES AND FRINGE BENEFITS	\$ _____				
TRAVEL	\$ _____				
TOTAL PERSONAL SERVICES	\$ _____				\$ _____
TOTAL CONTRACTUAL SERVICES		\$ _____			\$ _____
TOTAL CONSUMABLE SUPPLIES & MATERIALS			\$ _____		\$ _____
TOTAL CAPITAL OUTLAY				\$ _____	\$ _____
C. TOTAL DISBURSEMENTS (THIS MONTH)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
D. PRIOR MONTHS DISBURSEMENTS	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
E. DISBURSEMENTS YEAR-TO-DATE (C + D)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
F. TOTAL ALLOCATIONS TO DATE LESS DISBURSEMENTS YEAR-TO-DATE (A - E)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____

CIRCUIT CLERK

Introduction

The Circuit Clerk works primarily under the jurisdiction of the Circuit Judge(s) and does not normally handle a large amount of cash. Circuit Clerk records are divided into two sections, criminal and civil. Separate bank accounts are maintained for criminal and civil collections.

Cash Journals

Separate cash journals, presented on the following pages, are prescribed for criminal and civil collections. Receipts and checks are recorded in the "Cash" column and the appropriate fine, fee or assessment column. The journals are totaled at the end of each month, and settlements are made. The total of all debits should be compared to the total of all credits to determine they equal. This proves that the journals are in balance. Bank statements are to be reconciled monthly to the journals.

Receipts

Separate receipts and pre-numbered ranges must be used for criminal and civil collections. Criminal receipts are titled "Fee Bill, Criminal Cases, Circuit Court," include the case number and "State of Mississippi vs. _____." The body of the receipt details the type of collection and includes a "total" line. The bottom of the receipt indicates method of payment, name of the person making payment, date, amount, name of the Circuit Clerk and county, and name of the deputy completing the receipt.

Civil receipts are the same as criminal receipts except for the heading. Civil receipts are titled "Fee Bill, Civil Cases, Circuit Court," and include the case number and "_____ vs. _____."

Receipt numbers should be listed on deposit slips to identify which receipts are included in each deposit.

_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

[illegible]

[illegible]

Circuit Court Clerk
Civil Clearing Account

[illegible]

[illegible]

Civil Clearing
Page 3

[illegible]

Accounts Receivable

Judges may allow defendants to pay assessments, court cost and fines on a partial payment basis (Section 99-19-20, Mississippi Code Ann. (1972)). An accounts receivable system must be maintained for all amounts due the court where partial payments are accepted. This system consists of a control account and individual accounts for each case where partial payments are accepted. These accounts may be maintained on cards, ledger sheets or by computer.

An individual account is established for each case where partial payments are accepted. This account must include

- Name
- Most recent known address and phone number
- Docket and page number of judgment
- Amount of judgment and payments

The total of all individual accounts is initially entered in the control account. At the end of each month, individual accounts are totaled and changes are posted to the control account, either in total or individually. The total of the individual accounts should always equal the total of the control account. This system allows the Circuit Clerk to know the amount of uncollected judgments and to track the payment records of individuals. Partial payments must be settled monthly.

A judge has no authority to write off receivables due to a defendants unwillingness to pay. Further, there is no statute of limitation on execution of criminal judgements. A delinquent fine and penalty is money that has been imposed by the court to be paid by a defendant and has not been paid by the date specified in the court order or referenced judge's policy. A separate definition may be made for use in collection contracts.

The judge should adopt a written policy outlining procedures for the court when delinquencies occur. The procedures should explain:

1. When an account becomes delinquent
(how many payments behind, grace periods, etc.)
2. What the clerk must do when an account is delinquent
(such as notify the judge in writing and call or write the defendant, etc.)

The judge may take certain payment enforcement actions such as:

1. Alternate sentencing may be enforced
(fine or jail defendant option)
2. Contempt powers (Section 99-37-13)
3. Garnishment or executions (Section 99-37-13)

The Circuit Clerk should prepare an aging of accounts receivable at September 30 of each year in order to include these receivables and corresponding allowance for doubtful accounts in the financial statements of the county. This aging schedule should be based on the date of delinquency. The length of time an account is delinquent is an important factor in estimating the probability of its future collection; that is, a county is much more likely to collect a fine which is 30 days past due than one which is 360 days past due. The aging of accounts receivable schedule should categorize individual accounts based on the length of time they have been delinquent. In developing the aging schedule the unpaid accounts are reviewed and the amounts owed are classified into age group according to the length of time the account has been delinquent. Documentation should be maintained to support the amounts reported in each age group. The amounts in each age column are then totaled. The total amount per this aging schedule should agree with the total amount reported in the control account. The Circuit Clerk should submit this report to the Chancery Clerk by October 31 of each year. The Board of Supervisors may request that the Circuit Clerk provide additional information to aid in estimating an allowance for doubtful accounts.

_____ County
Circuit Clerk's Aging of Accounts Receivable Schedule
September 30, 20____

Aging Classification Based On Length Of Time The Account Has Been Delinquent	Accounts Receivable Balance
0 to 3 months past due	\$
4 to 6 months past due	
7 to 12 months past due	
13 to 24 months past due	
25 to 36 months past due	
37 to 48 months past due	
over 48 months past due	
Total Accounts Receivable	\$

Prescribed by the Office of the State Auditor effective October 1, 2002.

(Circuit Clerk's Signature)

Distribution of Circuit Court Funds

The Circuit Clerk must prepare a report at September 30 of each year identifying the distribution of all funds held by the Circuit Clerk in order to include these funds in the financial statements of the county. This report should specify the revenues that are due to the General Fund, other funds, state government or others. The Circuit Clerk should submit this report to the Chancery Clerk by October 31 of each year.

An example form is included on the following page to aid in the proper classification of Circuit Court funds. This form may be modified as long as it includes all required information.

**CIRCUIT COURT
DISTRIBUTION OF CASH
SEPTEMBER 30, 20____**

Prescribed by the Office of the State Auditor effective October 1, 2002.

CIRCUIT COURT FUND:		Criminal	Civil	Total
Cr. 006-000-149	Due to Governmental Funds			
	General County			
	Fines	Cr. 001-000-232		
	Bonds	Cr. 001-000-237		
	Interest	Cr. 001-000-330		
	County Attorney's Fees	Cr. 001-000-(222-229)		
	Constable's Fee	Cr. 001-000-(222-229)		
	Sheriff's Fees	Cr. 001-000-215		
	Jury Tax	Cr. 001-000-(222-229)		
	Court Reporter's Tax	Cr. 001-000-(222-229)		
	Other - _____	Cr. 001-000-_____		
	Other - _____	Cr. 001-000-_____		
	Total General County	Dr. 001-000-054		
	Law Library			
	Law Library Fees	Cr. 104-000-220		
	Total Law Library	Dr. 104-000-054		
	Court Administrator Fund			
	Court Administrator Fee	Cr. (108-112)-000-(222-229)		
	Total Court Administrator Fund	Dr. (108-112)-000-054		
	Other Fund - _____			
	Other - _____	Cr. _____-000-_____		
	Total _____	Dr. _____-000-054		
	Total Due to Governmental Funds			
	Intergovernmental Payable (Due to State Govt.)			
Cr. 006-000-122	Traffic Violations			
Cr. 006-000-123	Implied Consent			
Cr. 006-000-124	Game & Fish			
Cr. 006-000-125	Litter Law			
Cr. 006-000-126	Other Misdemeanors			
Cr. 006-000-127	Other Felonies			
Cr. 006-000-129	Court Constituent			
Cr. 006-000-130	Criminal Justice			
Cr. 006-000-132	Court Education			
Cr. 006-000-131	State Game & Fish			
Cr. 006-000-128	Bond Fee			
Cr. 006-000-134	Victim's of Domestic Violence			
Cr. 006-000-135	Highway Patrol Citation			
Cr. 006-000-(136-147)	Crime Stoppers (Dept. of Public Safety)			
Cr. 006-000-(136-147)	Victim's Compensation			
Cr. 006-000-133	D.A. and D.L. Reinstatement			
Cr. 006-000-_____	Other - _____			
	Total Intergovernmental Payables			
Cr. 006-000-(108-112)	Amounts Held in Custody for Others			
	Judgments			
	Restitution			
	Garnishments			
	Bonds			
	District Attorney's Fee			
	Clerk's Fees			
	Clerk's Commissions			
	Advance Costs			
	Other - specify _____			
	Total Amounts Held in Custody for Others			
Dr. 006-000-007	Circuit Court Cash			

Signature of Circuit Clerk

Fee Account Cash Journal

Section 9-1-43, Mississippi Code Annotated (1972), requires the Circuit Clerk to maintain a cash journal for cash receipts from private or government sources for furnishing copies of any papers of record or on file, services rendered as a notary public or any fee wherein the total fee for the transaction is ten dollars (\$10.00) or less. Section 9-1-43 also requires the Circuit Clerk to deposit any fees received in excess of the Governor's salary of \$83,160 into the county general fund on or before April 15 for the preceding calendar year, and requires the State Auditor to promulgate uniform accounting methods for all sources of income of the Circuit Clerk.

In order to satisfy the requirements of Section 9-1-43, the State Auditor is prescribing the Circuit Court Clerk Fee Account Cash Journal presented on the following pages.

Circuit Court Clerk
Fee Account Cash Journal
_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

[illegible]

[illegible]

JUSTICE COURT CLERK

Introduction

Justice Court is an important office in county government. In addition to its being highly visible to the public, a large volume of revenue flows through the office. The Justice Court must interact with various state and local law enforcement agencies, as well as businesses, individuals and the Board of Supervisors. This multi-faceted relationship, coupled with its great financial responsibilities, requires much attention to the staffing and operation of the Justice Court.

The Justice Court Clerk should institute a system of internal controls for the office. *Internal controls* are policies and procedures used to safeguard assets and strengthen accounting and recording functions. A large amount of cash flows through Justice Court and steps should be taken to protect it and insure it is recorded correctly. The journals prescribed in this section assist in the recording function. To protect cash in Justice Court from theft or misappropriation, the Office of the State Auditor prescribes the following procedure: A separate cash drawer must be used for each person who collects money in Justice Court. Other helpful procedures should be adopted by the Justice Court Clerk such as proper segregation of duties.

Justice Court is subject to a number of state laws. The Justice Court Clerk and Judges must become familiar with these laws and adopt procedures to comply with them.

Section 9-11-29, Mississippi Code Ann. (1972), requires the Justice Court Clerk and Deputy Justice Court Clerks to be bonded in the amount of \$50,000.

Receipts

Section 9-11-21, Mississippi Code Ann. (1972), requires the Justice Court Clerk to give any person paying him any fees, costs or other money a uniform receipt, the form of which is to be prepared by the Attorney General. It is imperative that the type of collection (cash, check or money order) be indicated on each receipt. Only the Justice Court Clerk or Deputy Justice Court Clerks can receive funds and issue receipts. These receipts are posted to the appropriate journal.

Daily Check-Up Sheet

A Daily Check-up Sheet must be prepared for each cash drawer at the end of each business day. A list of receipts in each account should be attached to the daily check-up sheet. This list may be computer-generated or handwritten. This form summarizes each day's receipts and compares the amounts collected in cash, checks and money orders to the amounts on hand at the end of the business day for each cash drawer. The difference between "Total Receipts" and "Total Deposit", if any, is the *short* or *over* for the day's collections. It is imperative that the type of collection (cash, check or money order) be indicated on each receipt. A Recap Daily Check-up Sheet must be prepared at the end of each day. This form summarizes and recaps all individual cash drawer Daily Check-up Sheets. After the activity of each cashier is properly verified, daily totals of each column of the individual cash drawer Daily Check-up Sheets are combined and entered on the appropriate lines of the Recap Daily Check-up Sheet. The amounts collected in cash, checks and money orders per receipts should agree with the amounts deposited in the bank by type of receipt. A Bank deposit should be made daily. If the criminal, civil and clearing accounts are combined in one or two bank accounts then the "Total Receipts" should be combined and compared to the corresponding "Total Deposits". As an additional control over collections, the Justice Court Clerk could list the names of the payee (person writing the check) as imprinted on the check for each check on the deposit slip.

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

_____ COUNTY

Justice Court Clerk

Cash Drawer Number or Name _____

Daily Check-up Sheet

Date: _____

	<u>Criminal</u>	<u>Civil</u>	<u>Clearing</u>	<u>COMBINED (If needed)</u>
<u>RECEIPTS (attach a list of receipts)</u>				
Cash per receipts	_____	_____	_____	_____
Checks & Money Orders per receipts	_____	_____	_____	_____
Total Receipts	=====	=====	=====	=====
<u>CASH COUNT</u>				
Coins	_____	_____	_____	_____
Currency	_____	_____	_____	_____
Total Cash	_____	_____	_____	_____
Checks & Money Orders	_____	_____	_____	_____
Other	_____	_____	_____	_____
Total Deposit	=====	=====	=====	=====
Short	=====	=====	=====	=====
Over	=====	=====	=====	=====

Clerk / Deputy Clerk (Signature)_____

Verified By: (Signature)_____

_____ COUNTY

Justice Court Clerk

Recap Daily Check-up Sheet
Date: _____

	<u>Criminal</u>	<u>Civil</u>	<u>Clearing</u>	<u>COMBINED (If needed)</u>
<u>RECEIPTS (attach a list of receipts)</u>				
Cash per receipts	_____	_____	_____	_____
Checks & Money Orders per receipts	_____	_____	_____	_____
Total Receipts	=====	=====	=====	=====
<u>CASH COUNT</u>				
Coins	_____	_____	_____	_____
Currency	_____	_____	_____	_____
Total Cash	_____	_____	_____	_____
Checks & Money Orders	_____	_____	_____	_____
Other	_____	_____	_____	_____
Total Deposit	=====	=====	=====	=====
Short	=====	=====	=====	=====
Over	=====	=====	=====	=====

Clerk (Signature)_____

Justice Court Journals

Three journals prescribed for the Justice Court Clerk to maintain are: Civil, Criminal and Clearing. These journals may be computerized, but must be identified separately. An entry for each receipt and check is recorded in the "Cash" column and the column corresponding to the type of money involved. The entry to record receipts will be a "Debit" to Cash. The entry to record checks will be a "Credit" to Cash. The columns are totaled at the end of each month, and balances are carried forward to the next month. The Clerk may verify accuracy of the journals by adding all debits and comparing the total of all credits. The two totals should be the same. Bank statements are to be reconciled monthly to the journals. Section 9-11-19, Mississippi Code Annotated (1972), requires the Justice Court maintain a Clearing bank account. Separate criminal and civil bank accounts may be used, if desired.

_____ COUNTY

Justice Court
Criminal Court Cash Journal

_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

[illegible]

____ COUNTY
Justice Court
Civil Court Cash Journal
____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

Justice Court
Clearing Account Cash Journal
_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

Report of Fines

Section 9-11-19, Mississippi Code Annotated (1972), requires a monthly report and settlement of fines and other collections. The report must show dates, amounts and names of persons remitting payment.

Accounts Receivable

Judges may allow defendants to pay assessments, court cost and fines on a partial payment basis (Section 99-19-20, Mississippi Code Ann. (1972)). An accounts receivable system must be maintained for all amounts due the court where partial payments are accepted. This system consists of a control account and individual accounts for each case where partial payments are accepted. These accounts may be maintained on cards, ledger sheets or by computer.

An individual account is established for each case where partial payments are accepted. This account must include

- Name
- Most recent known address and phone number
- Docket and page number of judgment
- Amount of judgment and payments

The total of all individual accounts is initially entered in the control account. At the end of each month, individual accounts are totaled and changes are posted to the control account, either in total or individually. The total of the individual accounts should always equal the total of the control account. This system allows the Justice Court to know the amount of uncollected judgments and to track the payment record of individuals. Partial payments are settled monthly.

A judge has no authority to write off receivables due to a defendant's unwillingness to pay. Further, there is no statute of limitation on execution of criminal judgments. A delinquent fine and penalty is money that has been imposed by the court to be paid by a defendant and has not been paid by the date specified in the court order or referenced judge's policy. A separate definition may be made for use in collection contracts.

Defendants who fail to appear do not owe fines and penalties unless there is a trial in their absence and the court imposes a fine and penalty. Therefore, a failure to appear without a trial does not result in a delinquent fine or penalty.

The judge should adopt a written policy outlining procedures for the court when delinquencies occur. The procedures should explain:

1. When an account becomes delinquent
(how many payments behind, grace periods, etc.)
2. What the clerk must do when an account is delinquent
(such as notify the judge in writing and call or write the defendant, etc.)

The judge may take certain payment enforcement actions such as:

1. Alternate sentencing may be enforced
(fine or jail defendant option)
2. Contempt powers (Section 99-37-13)
3. Garnishment or executions (Section 99-37-13)

The Justice Court Clerk should prepare an aging of accounts receivable at September 30 of each year in order to include these receivables and corresponding allowance for doubtful accounts in the financial statements of the county. This aging schedule should be based on the date of delinquency. The length of time an account is delinquent is an important factor in estimating the probability of its future collection; that is, a county is much more likely to collect a fine which is 30 days past due than one which is 360 days past due. The aging of accounts receivable schedule should categorize individual accounts based on the length of time they have been delinquent. In developing the aging schedule the unpaid accounts are reviewed and the amounts owed are classified into age group according to the length of time the account has been delinquent. Documentation should be maintained to support the amounts reported in each age group. The amounts in each age column are then totaled. The total amount per this aging schedule should agree with the total amount reported in the control account. The Justice Court Clerk should submit this report to the Chancery Clerk by October 31 of each year. The Board of Supervisors may request that the Justice Court Clerk provide additional information to aid in estimating an allowance for doubtful accounts.

_____ County
Justice Court Clerk's Aging of Accounts Receivable Schedule
September 30, 20____

Aging Classification Based On Length Of Time The Account Has Been Delinquent	Accounts Receivable Balance
0 to 3 months past due	\$
4 to 6 months past due	
7 to 12 months past due	
13 to 24 months past due	
25 to 36 months past due	
37 to 48 months past due	
over 48 months past due	
Total Accounts Receivable	\$

Prescribed by the Office of the State Auditor effective October 1, 2002.

(Justice Court Clerk's Signature)

Distribution of Justice Court Funds

The Justice Court Clerk must prepare a report at September 30 of each year identifying the distribution of all funds held by the Justice Court Clerk in order to include these funds in the financial statements of the county. This report should specify the revenues that are due to the General Fund, other funds, state government or others. The Justice Court Clerk should submit this report to the Chancery Clerk by October 31 of each year.

An example form is included on the following pages to aid in the proper classification of Justice Court funds. This form may be modified as long as it includes all required information.

**JUSTICE COURT
DISTRIBUTION OF CASH
SEPTEMBER 30, 20____**

Prescribed by the Office of the State Auditor effective October 1, 2002.

JUSTICE COURT FUND:		OTHER CODES	Criminal	Civil	Clearing	Total
Cr. 005-000-149	Due to Governmental Funds					
	General County					
	Fines - General	Cr. 001-000-230				
	Fines - Litter	Cr. 001-000-235				
	Fines - Game	Cr. 001-000-230				
	Interest	Cr. 001-000-330				
	Clerk's Fee	Cr. 001-000-216				
	County Attorney Fee	Cr. 001-000-(222-229)				
	Constable Fee	Cr. 001-000-(222-229)				
	Sheriff Fee	Cr. 001-000-215				
	Other - _____	Cr. 001-000-				
	Total General County	Dr. 001-000-054				
	Law Library Fund					
	Law Library Fees	Cr. 104-000-220				
	Total Law Library	Dr. 104-000-054				
	Other Fund - _____					
	Other - _____	Cr. ____-000-____				
	Total _____	Dr. ____-000-____				
	Total Due to Governmental Funds					
	Intergovernmental Payables (Due to State)					
Cr. 005-000-122	Traffic Violations					
Cr. 005-000-123	Implied Consent					
Cr. 005-000-124	Game & Fish					
Cr. 005-000-125	Litter Law					
Cr. 005-000-126	Other Misdemeanors					
Cr. 005-000-129	Court Constituent					
Cr. 005-000-130	Criminal Justice					
Cr. 005-000-132	Court Education					
Cr. 005-000-(136-147)	Adult Driver's Training					
Cr. 005-000-131	State Game & Fish					
Cr. 005-000-(136-147)	Motor Vehicle Liability Insurance					
Cr. 005-000-128	Bond Fee					
Cr. 005-000-(136-147)	Crime Stoppers (PS)					
Cr. 005-000-135	MHP Wireless Communication					
Cr. 005-000-_____	Other - _____					
	Total Intergovernmental Payables					
Cr. 005-000-(108-112)	Amounts Held in Custody for Others					
	Judgments					
	Restitution					
	Bail Bond					
	District Attorney Fee					
	Other - _____					
	Total Amounts Held in Custody for Others					
Dr. 005-000-007	JUSTICE COURT CASH					

Signature of Justice Court Clerk

Other County Departments and Commissions

Introduction

The various county departments and commissions that are authorized by law to receive moneys or maintain bank accounts must account for any fees, petty cash or expenditures that are handled by their offices. Additionally, other legal requirements may exist that must be heeded. Basic accounting procedures and records prescribed by the Office of the State Auditor are included in this subsection.

Receipts

A pre-numbered receipt should be issued to any person paying any fees or other money to the department or commission. It is imperative that the type of collection (cash, check or money order) be indicated on each receipt. These receipts are posted to the appropriate journal.

Cash Journal

The Cash Journal is a journal of original entry. It should be maintained on a daily basis. Receipts and expenditures are entered as they occur, along with the date, receipt or check number, payor or payee, and amount. An entry is recorded in "Cash" and the appropriate column relating to type of receipt or expenditure. The cash balance remains current and is used to reconcile the bank statement at the end of each month.

_____ Department Cash Journal
_____, 20____

Prescribed by the Office of the State Auditor. Revised effective October 1, 2002.

[illegible]

[illegible]

SECTION F

SINGLE AUDIT

INTRODUCTION

The Single Audit Act of 1984 established requirements for audits of States, local governments and Indian tribal governments that administer federal financial assistance programs. The Single Audit Act Amendments of 1996 was signed into law in July 1996 and replaced the Single Audit Act of 1984 in its entirety. The 1997 Office of Management and Budget (OMB) Circular A-133 was released in June 1997 and is the implementing regulation for the 1996 Amendments. The 1996 Amendments substantially revised various provisions of the 1984 Act, and the 1997 OMB Circular A-133 made other significant changes to audit requirements.

One of the more significant cost-effective revisions is that the threshold for when an entity is required to have a single audit was raised from \$25,000 to \$300,000. The increased threshold is expected to reduce audit costs while providing an appropriate level of audit coverage of federal funds. Therefore, a single audit is required only when a county expends \$300,000 or more in total federal awards during a fiscal year.

OMB Circular A-133 specifically addresses the county's role as auditee in the audit resolution process, including follow-up and corrective action. Section 315(a) states, "The auditee is responsible for follow-up and corrective action on all audit findings." As part of that responsibility, Sections 315(a) and 315(c) require auditees to prepare a corrective action plan to address each audit finding included in the schedule of findings and questioned costs. The following information should be included in the corrective action plan:

- Identification of each finding as reported by the auditor.
- Planned corrective action to be taken or an explanation why corrective action is not necessary.
- Name(s) of the contact person(s) responsible for corrective action.
- Anticipated completion date for the corrective action.

To streamline the distribution of audit reports and improve the government-wide collection and analysis of single audit results, OMB Circular A-133 provides for a form, referred to as the data collection form, to be prepared at the completion of each audit and submitted to the federal clearinghouse designated by OMB. This form provides key information about the county, the federal awards it administers and the audit results. Both the auditor and a county official are required to prepare applicable sections of the form, and both are required to sign the form.

COMPLIANCE REQUIREMENTS

This section discusses the 14 types of compliance requirements that generally apply to federal award programs. However, the county must refer to the grant contract and other related documents to determine which compliance requirements are applicable to each federal award program. The county will be audited for compliance with these requirements. Officials and others involved in administering federal programs should endeavor to receive training related to these requirements. For purposes of the following discussion, the term non-federal entity means any entity, including a county government, that receives or expends federal funds.

Activities Allowed or Unallowed

Activities are defined as allowable purposes and specific transactions for which the federal program can be spent. The specific requirements for activities allowed or unallowed are unique to each federal program and are found in the laws, regulations and the provisions of contract or grant agreements pertaining to the program. Therefore, county officials must read the provisions of contract or grant agreements to determine what activities are allowable.

Allowable Costs/Cost Principles

Both direct and indirect costs must meet certain criteria to be eligible for federal reimbursement. In addition, costs must conform to limitations and exclusions set forth in OMB Circular A-87. This Circular prescribes the cost accounting principles associated with the administration of federal awards and describes selected cost items, allowable and unallowable. To insure compliance, county officials should know thoroughly the allowable cost provisions and cost principles of OMB Circular A-87. The county is encouraged to obtain a copy of the Circular by writing or calling:

OMB Office of Administration
Publications Office, Room 2200
New Executive Office Building
Washington, DC 20503
Order desk telephone: (202) 395-7332

Cash Management

Recipients of federal awards are required to have procedures in place that reduce the time between receipt and use of federal funds. To comply, a county should make periodic forecasts of federal funds needed and draw the federal funds as close as possible to related program expenditures. Documentation should be kept on file for any request for advances or request for reimbursements of federal funds.

Davis-Bacon Act

When required by federal program legislation, all laborers and mechanics employed by contractors or subcontractors of federally-funded projects must be paid wages not less than those established by the Secretary of the U.S. Department of Labor (DOL) as the prevailing regional wage rate. Davis-Bacon applies to contracts involving “construction, alteration and/or repair, including painting and decorating, of public buildings or public works” of \$2,000 or more. After confirming wage rates with the DOL, the county is required to insert a prevailing wage rate clause in all federally-funded construction projects of \$2,000 or more. To comply with the Davis-Bacon Act, the county should monitor status reports and wage records submitted by the contractor to insure that laborers and mechanics were actually paid the prevailing wage rates established by the DOL.

Eligibility

This compliance requirement specifies the criteria for determining the individuals, groups of individuals or subrecipients that can participate in the program and the amounts for which they qualify. The specific requirements for eligibility are unique to each federal program and are found in the laws, regulations and the provisions of contract or grant agreements pertaining to the program.

Equipment and Real Property Management

A non-federal entity is required to maintain an equipment and real property management system for its federal award programs and related activities in accordance with the A-102 Common Rule. The A-102 Common Rule establishes uniform administration requirements for grants and cooperative agreements to state and local governments and can be obtained by calling or writing the Superintendent of Documents. The address and phone number of the Superintendent of Documents is listed under the compliance requirement, Allowable Costs/Cost Principles. The A-102 Common Rule defines equipment as tangible nonexpendable property charged directly to the award having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. However, the non-federal entity may establish lower limits. Generally, equipment can only be used in the federal program which acquired it, inventory records are to be maintained, a physical inventory of equipment must be taken at least once every two years and reconciled to the equipment records, and certain procedures apply in the disposition of equipment. The A-102 Common Rule allows title to all real property purchased with federal awards to vest with the non-federal entity, and real property can be used for the originally authorized purposes as long as needed for that purpose. A non-federal entity cannot dispose of or encumber title to real property without prior consent of the awarding agency.

Matching, Level of Effort, Earmarking

Some federal programs require local funding to support the program. This is called matching and is usually a percentage of the federal funds to be provided or a percentage of the program charges. Some federal programs also require a *level of effort*, meaning the non-federal entity must support the program at a specified level from period to period. Other federal programs require *earmarking*, which involves reserving a specified amount or percentage of a federal program for a specific activity or purpose. County officials must read the provisions of contract or grant agreements to ascertain the specific requirements involving matching, level of effort and earmarking.

Period of Availability of Federal Funds

Federal awards may specify a time period during which a non-federal entity may use the federal funds. Where a funding period is specified, a non-federal entity may charge to the award only costs resulting from obligations incurred during the funding period. Also, if authorized by the federal program, unobligated balances may be carried over and charged for obligations of the subsequent funding period. The term obligation means the amounts of orders placed, contracts and subgrants awarded, goods and services received, and similar transactions during a given period that will require payment by the non-federal entity during the same or a future period. According to the A-102 Common Rule, a non-federal entity must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period to coincide with the submission of the annual Financial Status Report (SF-269). The federal agency may extend this deadline upon request.

Procurement and Suspension and Debarment

When supplies, equipment and other services are purchased with federal funds, non-federal entities are required to comply with the procurement provisions of the A-102 Common Rule. Non-federal entities are also prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement contracts for goods or services equal to or in excess of \$100,000 and all nonprocurement transactions (e.g. subawards to subrecipients). Contractors receiving individual awards for \$100,000 or more and all subrecipients must certify that the organization and its principals are not suspended or debarred. A non-federal entity may rely upon the certification unless it knows that the certification is erroneous.

Program Income

Income a non-federal entity receives that is generated directly from a federally-funded project during the grant period is called program income. Examples include: fees for services performed, the use or rental of real or personal property acquired with grant funds, the sale of commodities purchased with grant funds, and payments of principal and interest on loans made with grant funds, such as Community Development Block Grant loans. Program income may be used in one of three ways: (1) deducted from outlays, (2) added to the project or (3) used to meet

the matching requirements. Unless specified in the federal awarding agency regulations or the terms and conditions of the award, program income shall be deducted from program outlays.

Real Property Acquisition and Relocation Assistance

Federal aid programs may require acquisition of property and subsequent displacement of households and/or businesses. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 provides for uniform and equitable treatment of persons displaced by federally-assisted programs from their homes, businesses or farms. Property acquired must be appraised by qualified independent appraisers, and just compensation must be afforded the owner based on the appraisal. When relocations are involved, federal requirements govern the determination of payments for replacement housing assistance, rental assistance and down payment assistance for individuals displaced by federally-funded projects.

Reporting

Non-federal entities are usually required to prepare and file specific reports for federal and/or pass-through grantor agencies. The required reports should be prepared in accordance with program requirements, include all activity of the reporting period, and the amounts reported should be supported by and reconcile to the accounting records.

Subrecipient Monitoring

A county acts as a pass-through entity when it receives federal funds that are passed to another entity referred to as the subrecipient. Counties are required to have an adequate subrecipient monitoring and follow-up system covering entities to which it has passed through federal funds. A pass-through entity is responsible for:

- Identifying to the subrecipient the federal award information (e.g., CFDA title and number, award name, name of federal agency) and applicable compliance requirements.
- Monitoring the subrecipient's activities to provide reasonable assurance that the subrecipient administers federal awards in compliance with federal requirements.
- Ensuring the subrecipient has a single audit performed in accordance with the requirements of OMB Circular A-133 when the subrecipient expends federal awards of at least \$300,000 during its fiscal year.
- Ensuring the subrecipient takes prompt corrective action on any single audit findings and evaluating the impact of audit findings on the pass-through entity's financial statements.
- Evaluating the impact of subrecipient activities on the pass-through entity's ability to comply with applicable federal regulations.

Monitoring activities may take various forms, such as reviewing reports submitted by the subrecipient; performing site visits to the subrecipient to review financial and programmatic records and observe operations; arranging for limited scope audits of aspects of subrecipient activities, such as eligibility determinations; reviewing the subrecipients' single audit and evaluating audit findings and the subrecipient's corrective action plan.

Special Tests and Provisions

Special tests and provisions include those compliance requirements for which federal agencies have determined that noncompliance could have a direct and material effect on the program. These requirements are unique to each federal program and therefore do not fit the description of the other types of compliance requirements discussed above. Most federal programs will have at least one special test and provision. The specific requirements for special tests and provisions are found in the laws, regulations and the provisions of contract or grant agreements pertaining to the program.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

A single audit is required only when a county expends \$300,000 or more in total federal awards during a fiscal year. In order to determine the need for a single audit, all expenditures of federal awards must be identified. The Chancery Clerk or County Administrator should prepare the schedule of expenditures of federal awards after considering the effect of any necessary accruals.

_____ COUNTY
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 20____

Federal Grantor/ Pass-through Grantor/ <u>Program Title</u>	Federal CFDA <u>Number</u>	Agency or Pass-through <u>Number</u>	Federal <u>Expenditures</u>
Total Expenditures of Federal Awards			

Signature of Preparer